

105TH CONGRESS
2D SESSION

S. 1590

To improve elementary and secondary education.

IN THE SENATE OF THE UNITED STATES

JANUARY 29, 1998

Mr. COVERDELL (for himself, Mr. LOTT, Mr. NICKLES, Mr. MACK, Mr. CRAIG, Mr. McCONNELL, Mr. GREGG, Mr. COATS, Mr. INHOFE, Mr. MURKOWSKI, Mr. ABRAHAM, Mr. KYL, and Mr. WARNER) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To improve elementary and secondary education.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Better Opportunities
5 for Our Kids and Schools Act”.

6 **TITLE I—A+ ACCOUNTS FOR**
7 **PUBLIC AND PRIVATE SCHOOLS**

8 **SEC. 101. SHORT TITLE.**

9 This title may be cited as the “A+ Accounts for Pub-
10 lic and Private Schools Act”.

1 **SEC. 102. MODIFICATIONS TO EDUCATION INDIVIDUAL RE-**
 2 **TIREMENT ACCOUNTS.**

3 (a) TAX-FREE EXPENDITURES FOR ELEMENTARY
 4 AND SECONDARY SCHOOL EXPENSES.—

5 (1) IN GENERAL.—Section 530(b)(2) of the In-
 6 ternal Revenue Code of 1986 is amended to read as
 7 follows:

8 “(2) QUALIFIED EDUCATION EXPENSES.—

9 “(A) IN GENERAL.—The term ‘qualified
 10 education expenses’ means—

11 “(i) qualified higher education ex-
 12 penses (as defined in section 529(e)(3)),
 13 and

14 “(ii) qualified elementary and second-
 15 ary education expenses (as defined in para-
 16 graph (4)).

17 Such expenses shall be reduced as provided in
 18 section 25A(g)(2) but only with respect to
 19 amounts in the account which are attributable
 20 to contributions for any taxable year ending be-
 21 fore January 1, 2003, and earnings on such
 22 contributions.

23 “(B) QUALIFIED STATE TUITION PRO-
 24 GRAMS.—Such term shall include amounts paid
 25 or incurred to purchase tuition credits or cer-
 26 tificates, or to make contributions to an ac-

1 count, under a qualified State tuition program
 2 (as defined in section 529(b)) for the benefit of
 3 the beneficiary of the account.”.

4 (2) QUALIFIED ELEMENTARY AND SECONDARY
 5 EDUCATION EXPENSES.—Section 530(b) of such
 6 Code is amended by adding at the end the following
 7 new paragraph:

8 “(4) QUALIFIED ELEMENTARY AND SECONDARY
 9 EDUCATION EXPENSES.—

10 “(A) IN GENERAL.—The term ‘qualified el-
 11 elementary and secondary education expenses’
 12 means tuition, fees, tutoring, special needs serv-
 13 ices, books, supplies, computer equipment (in-
 14 cluding related software and services) and other
 15 equipment, transportation, and supplementary
 16 expenses required for the enrollment or attend-
 17 ance of the designated beneficiary of the trust
 18 at a public, private, or religious school.

19 “(B) SPECIAL RULE FOR
 20 HOMESCHOOLING.—Such term shall include ex-
 21 penses described in subparagraph (A) required
 22 for education provided for homeschooling if the
 23 requirements of any applicable State or local
 24 law are met with respect to such education.

1 “(C) SCHOOL.—The term ‘school’ means
2 any school which provides elementary education
3 or secondary education (through grade 12), as
4 determined under State law.”.

5 (3) CONFORMING AMENDMENTS.—Subsections
6 (b)(1) and (d)(2) of section 530 of such Code are
7 each amended by striking “higher” each place it ap-
8 pears in the text and heading thereof.

9 (b) TEMPORARY INCREASE IN MAXIMUM ANNUAL
10 CONTRIBUTIONS.—

11 (1) IN GENERAL.—Section 530(b)(1)(A)(iii) of
12 the Internal Revenue Code of 1986 is amended by
13 striking “\$500” and inserting “the contribution
14 limit for such taxable year”.

15 (2) CONTRIBUTION LIMIT.—Section 530(b) of
16 such Code is amended by adding at the end the fol-
17 lowing new paragraph:

18 “(4) CONTRIBUTION LIMIT.—The term ‘con-
19 tribution limit’ means \$2,500 (\$500 in the case of
20 any taxable year ending after December 31, 2002).”.

21 (3) CONFORMING AMENDMENTS.—

22 (A) Section 530(d)(4)(C) of such Code is
23 amended by striking “\$500” and inserting “the
24 contribution limit for such taxable year”.

1 (B) Section 4973(e)(1)(A) of such Code is
2 amended by striking “\$500” and inserting “the
3 contribution limit (as defined in section
4 530(b)(4)) for such taxable year”.

5 (c) WAIVER OF AGE LIMITATIONS FOR CHILDREN
6 WITH SPECIAL NEEDS.—Paragraph (1) of section 530(b)
7 of the Internal Revenue Code of 1986 is amended by add-
8 ing at the end the following flush sentence:

9 “The age limitations in the preceding sentence shall
10 not apply to any designated beneficiary with special
11 needs (as determined under regulations prescribed
12 by the Secretary).”.

13 (d) CORPORATIONS PERMITTED TO CONTRIBUTE TO
14 ACCOUNTS.—Paragraph (1) of section 530(c) of the Inter-
15 nal Revenue Code of 1986 is amended by striking “The
16 maximum amount which a contributor” and inserting “In
17 the case of a contributor who is an individual, the maxi-
18 mum amount the contributor”.

19 (e) EFFECTIVE DATE; REFERENCES.—

20 (1) EFFECTIVE DATE.—The amendments made
21 by this section shall take effect as if included in the
22 amendments made by section 213 of the Taxpayer
23 Relief Act of 1997.

24 (2) REFERENCES.—Any reference in this sec-
25 tion to any section of the Internal Revenue Code of

1 1986 shall be a reference to such section as added
 2 by the Taxpayer Relief Act of 1997.

3 **TITLE II—DOLLARS TO THE**
 4 **CLASSROOM**

5 **SEC. 201. DIRECT AWARDS OF CERTAIN EDUCATION FUND-**
 6 **ING TO STATES.**

7 (a) DIRECT AWARDS OF CERTAIN EDUCATION
 8 FUNDING.—

9 (1) IN GENERAL.—Notwithstanding any other
 10 provision of law, for each fiscal year the Secretary
 11 shall award the total amount of funds described in
 12 paragraph (2) directly to States in accordance with
 13 this subsection.

14 (2) APPLICABLE FUNDING.—The total amount
 15 of funds referred to in paragraph (1) are all funds
 16 not used to carry out paragraph (8)(B) for the fiscal
 17 year that are appropriated for the Department of
 18 Education for the fiscal year to carry out programs
 19 or activities under the following provisions of law:

20 (A) Title III of the Goals 2000: Educate
 21 America Act (20 U.S.C. 5881 et seq.).

22 (B) Title IV of the Goals 2000: Educate
 23 America Act (20 U.S.C. 5911 et seq.).

24 (C) Title VI of the Goals 2000: Educate
 25 America Act (20 U.S.C. 5951).

1 (D) The Educational Research, Develop-
2 ment, Dissemination, and Improvement Act of
3 1994 (20 U.S.C. 6001 et seq.).

4 (E) Titles II, III, and IV of the School-to-
5 Work Opportunities Act of 1994 (20 U.S.C.
6 6121 et seq., 6171 et seq., and 6191 et seq.).

7 (F) Title II of the Elementary and Second-
8 ary Education Act of 1965 (20 U.S.C. 6601 et
9 seq.).

10 (G) Sections 3132 and 3136 of the Ele-
11 mentary and Secondary Education Act of 1965
12 (20 U.S.C. 6842 and 6846).

13 (H) Part B of title III of the Elementary
14 and Secondary Education Act of 1965 (20
15 U.S.C. 6891 et seq.).

16 (I) Part C of title III of the Elementary
17 and Secondary Education Act of 1965 (20
18 U.S.C. 6921 et seq.).

19 (J) Part D of title III of the Elementary
20 and Secondary Education Act of 1965 (20
21 U.S.C. 6951 et seq.).

22 (K) Subpart 1 of part A of title IV of the
23 Elementary and Secondary Education Act of
24 1965 (20 U.S.C. 7111 et seq.).

1 (L) Subpart 2 of part A of title IV of the
2 Elementary and Secondary Education Act of
3 1965 (20 U.S.C. 7131 et seq.).

4 (M) Part A of title V of the Elementary
5 and Secondary Education Act of 1965 (20
6 U.S.C. 7201 et seq.).

7 (N) Part B of title V of the Elementary
8 and Secondary Education Act of 1965 (20
9 U.S.C. 7231 et seq.).

10 (O) Title VI of the Elementary and Sec-
11 ondary Education Act of 1965 (20 U.S.C. 7311
12 et seq.).

13 (P) Part A of title X of the Elementary
14 and Secondary Education Act of 1965 (20
15 U.S.C. 8001 et seq.).

16 (Q) Part B of title X of the Elementary
17 and Secondary Education Act of 1965 (20
18 U.S.C. 8031 et seq.).

19 (R) Part I of title X of the Elementary
20 and Secondary Education Act of 1965 (20
21 U.S.C. 8241 et seq.).

22 (S) Part A of title XIII of the Elementary
23 and Secondary Education Act of 1965 (20
24 U.S.C. 8621 et seq.).

1 (T) Part C of title XIII of the Elementary
2 and Secondary Education Act of 1965 (20
3 U.S.C. 8671 et seq.).

4 (3) TIMELINES.—

5 (A) CENSUS DETERMINATION.—

6 (i) IN GENERAL.—Not later than 21
7 days after the beginning of an academic
8 year, each State shall conduct a census to
9 determine the number of children in kin-
10 dergarten through grade 12 in the State
11 for the academic year.

12 (ii) SUBMISSION.—Each State shall
13 submit the number described in clause (i)
14 to the Secretary not later than February 1
15 of the academic year.

16 (B) PUBLICATION.—The Secretary shall
17 publish in the Federal Register not later than
18 March 15 of each fiscal year the amount each
19 State will receive under this subsection for the
20 succeeding fiscal year.

21 (C) DISBURSAL.—The Secretary shall dis-
22 burse the amount awarded to a State under
23 this subsection for a fiscal year not later than
24 July 1 of the preceding fiscal year.

1 (4) DETERMINATION OF AMOUNT.—The Sec-
2 retary shall determine the amount awarded to each
3 State under paragraph (1) for a fiscal year as fol-
4 lows:

5 (A) PER CHILD AMOUNT.—First, the Sec-
6 retary, using the information provided under
7 paragraph (3), shall determine a per child
8 amount for the fiscal year by dividing the total
9 amount of funds described in paragraph (2) for
10 the fiscal year, by the total number of children
11 in kindergarten through grade 12 in all States
12 for the academic year preceding the fiscal year.

13 (B) BASELINE AMOUNT.—Second, the Sec-
14 retary, using the information provided under
15 paragraph (3), shall determine the baseline
16 amount for each State for the fiscal year by
17 multiplying the per child amount determined
18 under subparagraph (A) for the fiscal year by
19 the number of children in kindergarten through
20 grade 12 in the State for the academic year
21 preceding the fiscal year.

22 (C) COMPUTATION.—Lastly, the Secretary
23 shall compute the amount awarded to each
24 State for the fiscal year as follows:

1 (i) Multiply the baseline amount de-
2 termined under subparagraph (B) for the
3 fiscal year by a factor of 1.10 for States
4 that are in the least wealthy quintile of all
5 States as determined by the Secretary on
6 the basis of the per capita income of indi-
7 viduals in the States.

8 (ii) Multiply the baseline amount by a
9 factor of 1.05 for States that are in the
10 second least wealthy such quintile.

11 (iii) Multiply the baseline amount by a
12 factor of 1.00 for States that are in the
13 third least wealthy such quintile.

14 (iv) Multiply the baseline amount by a
15 factor of 0.95 for States that are in the
16 fourth least wealthy such quintile.

17 (v) Multiply the baseline amount by a
18 factor of 0.90 for States that are in the
19 wealthiest such quintile.

20 (D) INCOMES FROM CERTAIN AREAS EX-
21 CLUDED FROM QUINTILE DETERMINATIONS.—

22 For the purpose of determining the quintiles
23 described in subparagraph (C) the Secretary
24 shall exclude the per capita incomes of individ-
25 uals in Alaska, Hawaii, the District of Colum-

1 bia, the Commonwealth of Puerto Rico, Guam,
2 American Samoa, the Commonwealth of the
3 Northern Mariana Islands, and the United
4 States Virgin Islands.

5 (E) SPECIAL RULE FOR ALASKA AND HA-
6 WAI.—Notwithstanding subparagraph (C), the
7 Secretary shall compute the amount awarded to
8 the States of Alaska and Hawaii under para-
9 graph (1) by multiplying the baseline amount
10 determined under subparagraph (B) for Alaska
11 and Hawaii, respectively, by a factor of 1.00.

12 (5) Ratable Reduction.—If the total amount
13 of funds described in paragraph (2) that are made
14 available to carry out paragraph (1) for a fiscal year
15 is insufficient to pay in full all amounts awarded
16 under this subsection for the fiscal year, then the
17 Secretary shall ratably reduce each such amount.

18 (6) Ratable Increase.—If the total amount
19 of funds described in paragraph (2) that are made
20 available to carry out paragraph (1) for a fiscal year
21 exceeds the funding required to pay in full all
22 amounts awarded under this subsection for the fiscal
23 year, then the Secretary shall ratably increase each
24 such amount.

1 (7) PENALTY.—If the Secretary determines
2 that a State has knowingly submitted false informa-
3 tion under paragraph (3) for the purpose of gaining
4 additional funds under paragraph (1), then the
5 State shall be fined an amount equal to twice the
6 difference between the amount the State received
7 under this subsection, and the correct amount the
8 State would have received if the State had submitted
9 accurate information under paragraph (3).

10 (8) HOLD HARMLESS.—

11 (A) IN GENERAL.—No State shall receive
12 an award under this subsection for a fiscal year
13 in an amount that is less than the amount the
14 State would have received to carry out pro-
15 grams or activities under the provisions of law
16 described in subparagraphs (A), (E), (F), (G),
17 (K), and (O) of paragraph (2) for the fiscal
18 year.

19 (B) MULTIYEAR AWARDS.—The Secretary
20 shall use funds appropriated to carry out the
21 programs or activities under the provisions of
22 law described in paragraph (2) (other than sub-
23 paragraphs (A), (E), (F), (G), (K), and (O) of
24 paragraph (2)) to make payments to eligible re-
25 cipients under such provisions pursuant to any

1 multiyear award made under such provisions
2 prior to the date of enactment of this Act.

3 (b) PAYMENTS AND AVAILABILITY.—

4 (1) PAYMENTS.—Funds awarded to a State
5 under this subsection shall be paid to the Governor
6 of the State.

7 (2) AVAILABILITY.—The Governor of the State
8 shall make the funds provided under this subsection
9 available to the individual or entity in the State that
10 is responsible for the State administration of Fed-
11 eral education funds pursuant to State law.

12 (c) USE OF STATE AWARDS.—

13 (1) IN GENERAL.—From the amount made
14 available to a State under subsection (a) for a fiscal
15 year, the State—

16 (A) shall use not more than 5 percent of
17 the amount to support programs or activities,
18 for children in kindergarten through grade 12,
19 that the State determines appropriate, of which
20 the State shall distribute 1 percent of the 5
21 percent to local educational agencies in the
22 State to pay the administrative expenses of the
23 local educational agencies that are associated
24 with the activities and services assisted under
25 this section; and

(B) shall distribute not less than 95 percent of the amount to local educational agencies in the State for the fiscal year to enable the local educational agencies to pay the costs of activities or services, for children in kindergarten through grade 12 (including such public and private school children), that—

(i) the local educational agencies determine appropriate; and

(ii) are provided in the classroom.

(2) CLASSROOM ACTIVITIES AND SERVICES.—

For the purpose of paragraph (1)(B), the costs of activities and services provided in the classroom—

(A) exclude the administrative expenses associated with the activities and services; and

(B) notwithstanding paragraph (1)(B)(i), include nonadministrative expenses associated with statewide or districtwide initiatives directly affecting classroom learning.

(d) REGULATIONS.—

(1) IN GENERAL.—Subject to paragraph (2), no head of a Federal department or agency other than the Secretary may promulgate regulations under this section.

1 (2) SPECIAL RULE.—The Secretary shall not
 2 promulgate regulations under this section regarding
 3 the types of activities and services that may be as-
 4 sisted under this section.

5 **SEC. 202. TITLE I FUNDING.**

6 Section 1603 of the Elementary and Secondary Edu-
 7 cation Act of 1965 (20 U.S.C. 6513) is amended by add-
 8 ing at the end the following:

9 “(d) DOLLARS TO THE CLASSROOM.—

10 “(1) IN GENERAL.—Notwithstanding any other
 11 provision of law, from the funds made available to
 12 a local educational agency under this part for a fis-
 13 cal year, not less than 95 percent of the funds shall
 14 be used for the costs of activities and services pro-
 15 vided in the classroom for the fiscal year.

16 “(2) CLASSROOM ACTIVITIES AND SERVICES.—
 17 For the purpose of paragraph (1), the costs of ac-
 18 tivities and services provided in the classroom—

19 “(A) exclude the administrative expenses
 20 associated with the activities and services; and

21 “(B) include nonadministrative expenses
 22 associated with statewide or districtwide initia-
 23 tives directly affecting classroom learning.

1 “(3) PLAN.—Not later than 6 months after the
 2 date of enactment of the Better Opportunities for
 3 Our Kids and Schools Act, the Secretary shall—

4 “(A) develop and implement a plan for
 5 streamlining regulations and eliminating bu-
 6 reaucracy so that 95 percent of the funds made
 7 available to local educational agencies under
 8 this part are used for the costs of activities and
 9 services provided in the classroom; and

10 “(B) prepare and submit to Congress rec-
 11 ommended legislation containing changes to
 12 Federal law that are needed for 95 percent of
 13 the funds to be so used.”.

14 **SEC. 203. PARTICIPATION OF CHILDREN ENROLLED IN PRI-**
 15 **VATE SCHOOLS.**

16 Each local educational agency that receives funds
 17 under section 201 shall provide for the participation of
 18 children in private schools in the activities and services
 19 assisted under section 201 in the same manner as the chil-
 20 dren participate in activities and services under the Ele-
 21 mentary and Secondary Education Act of 1965 (20 U.S.C.
 22 6301 et seq.) pursuant to sections 14503, 14504, 14505,
 23 and 14506 of such Act (20 U.S.C. 8893, 8894, 8895, and
 24 8896).

1 **SEC. 204. DEFINITIONS.**

2 In this title—

3 (1) the term “local educational agency” has the
4 meaning given the term in section 14101 of the Ele-
5 mentary and Secondary Education Act of 1965 (20
6 U.S.C. 8801);

7 (2) the term “Secretary” means the Secretary
8 of Education; and

9 (3) the term “State” means each of the several
10 States of the United States, the District of Colum-
11 bia, the Commonwealth of Puerto Rico, Guam,
12 American Samoa, the Commonwealth of the North-
13 ern Mariana Islands, and the United States Virgin
14 Islands.

15 **TITLE III—EDUCATIONAL OP-**
16 **PORTUNITY AND SAFETY FOR**
17 **LOW-INCOME CHILDREN**

18 **SEC. 301. FINDINGS AND PURPOSE.**

19 (a) FINDINGS.—The Congress finds as follows:

20 (1) Violence, crime, and illegal drug activity
21 have increased significantly in our Nation’s public
22 schools.

23 (2) It is estimated that 3,000,000 violent acts
24 or thefts occur in or near schools, and that one in
25 five public high school students carries a weapon.

1 (3) The incidence of violence, and criminal and
2 illegal drug activity within public elementary and
3 secondary schools threatens the school environment
4 and interferes with the learning process.

5 (4) 2,000,000 more children are using drugs in
6 1997 than were doing so in 1993. For the first time
7 in the 1990s, over half of our Nation's graduating
8 high school seniors have experimented with drugs
9 and approximately 1 out of every 4 of the students
10 have used drugs in the past month.

11 (5) After 11 years of declining marijuana use
12 among children aged 12 to 17, such use doubled be-
13 tween 1992 and 1995. The number of 8th graders
14 who have used marijuana in the past month has
15 more than tripled since 1991.

16 (6) More of our Nation's school children are be-
17 coming involved with hard core drugs at earlier ages,
18 as use of heroin and cocaine by 8th graders has
19 more than doubled since 1991.

20 (7) Students have a right to be safe and secure
21 in their persons while attending school.

22 (8) Low-income families whose children attend
23 high poverty public schools generally lack the finan-
24 cial ability to enroll their children in private schools
25 or the opportunity to choose to enroll their children

1 in public schools less affected by poverty, illegal
2 drugs, or violence, while such alternatives are typi-
3 cally available to more affluent families.

4 (9) Numerous research studies, including the
5 1993 National Assessment of the Chapter 1 Pro-
6 gram, have concluded that students attending high
7 poverty public schools have much lower levels of aca-
8 demic achievement than other students, regardless of
9 the income level of the family of such students.

10 (10) Federally supported efforts to meet the
11 educational needs of disadvantaged children attend-
12 ing high poverty schools have had little, if any, suc-
13 cess in improving student achievement, especially in
14 the highest poverty schools and school districts.

15 (11) Evidence obtained from systematic evalua-
16 tions of school choice demonstration projects that in-
17 volve public and private, including religious, schools
18 will make an important contribution toward resolv-
19 ing debates over the most effective means of improv-
20 ing the academic achievement of disadvantaged chil-
21 dren.

22 (12) It is increasingly important that children
23 from families of all income levels meet high stand-
24 ards of academic achievement, in order to exercise

1 the responsibilities of citizenship and to compete in
2 globally competitive markets.

3 (b) PURPOSE.—It is the purpose of this title—

4 (1) to provide children from low-income families
5 who attend unsafe schools with the option of attend-
6 ing safer schools;

7 (2) to improve schools and academic programs
8 by providing certain low-income parents with in-
9 creased consumer power and dollars to choose safer
10 and drug-free schools and programs that such par-
11 ents determine best fit the needs of their children;

12 (3) to engage more fully certain low-income
13 parents in their children's schooling;

14 (4) through families, to provide at the school
15 site new dollars that teachers and principals may use
16 to help certain children achieve high educational
17 standards; and

18 (5) to demonstrate, through a discretionary
19 demonstration grant program, the effects of projects
20 that provide certain low-income families with more
21 of the same choices regarding all schools, including
22 public, private, or religious schools, that wealthier
23 families have.

24 **SEC. 302. DEFINITIONS.**

25 In this title—

1 (1) the term “choice school” means any public
2 or private school, including a private religious school
3 or a public charter school, that—

4 (A) is involved in a demonstration project
5 assisted under this title; and

6 (B) is not an unsafe school;

7 (2) the term “eligible child” means a child in
8 any of the grades 1 through 12—

9 (A) whose family income does not exceed
10 185 percent of the poverty line; and

11 (B) who would normally be assigned to at-
12 tend an unsafe school in the absence of—

13 (i) a demonstration project under this
14 title; or

15 (ii) participation, prior to the date of
16 enactment of this Act, in a school choice
17 program;

18 (3) the term “eligible entity” means a public
19 agency, institution, or organization, such as a State,
20 a State educational agency, a local educational agen-
21 cy, a consortium of public agencies, or a consortium
22 of public and private nonprofit organizations, that
23 can demonstrate, to the satisfaction of the Sec-
24 retary, its ability to—

1 (A) receive, disburse, and account for Fed-
2 eral funds; and

3 (B) carry out the activities described in its
4 application under this title;

5 (4) the term “evaluating agency” means any
6 academic institution, consortium of professionals, or
7 private or nonprofit organization, with demonstrated
8 experience in conducting evaluations, that is not an
9 agency or instrumentality of the Federal Govern-
10 ment;

11 (5) the term “local educational agency” has the
12 same meaning given such term in section 14101 of
13 the Elementary and Secondary Education Act of
14 1965 (20 U.S.C. 8801);

15 (6) the term “parent” includes a legal guardian
16 or other individual acting in loco parentis;

17 (7) the term “poverty line” means the poverty
18 line (as defined by the Office of Management and
19 Budget, and revised annually in accordance with sec-
20 tion 673(2) of the Community Services Block Grant
21 Act (42 U.S.C. 9902(2))) applicable to a family of
22 the size involved;

23 (8) the term “school” means a school that pro-
24 vides elementary education or secondary education
25 (through grade 12), as determined under State law;

1 (9) the term “Secretary” means the Secretary
2 of Education;

3 (10) the term “State” means each of the 50
4 States of the United States, the District of Colum-
5 bia, and the Commonwealth of Puerto Rico; and

6 (11) the term “unsafe school” means a school
7 that has serious crime, violence, illegal drug, and
8 discipline problems, as indicated by conditions that
9 may include high rates of—

10 (A) expulsions and suspensions of students
11 from school;

12 (B) referrals of students to alternative
13 schools for disciplinary reasons, to special pro-
14 grams or schools for delinquent youth, or to ju-
15 venile court;

16 (C) victimization of students or teachers by
17 criminal acts, including robbery, assault and
18 homicide;

19 (D) enrolled students who are under court
20 supervision for past criminal behavior;

21 (E) possession, use, sale or distribution of
22 illegal drugs;

23 (F) enrolled students who are attending
24 school while under the influence of illegal drugs;

- 1 (G) possession or use of guns or other
2 weapons;
3 (H) participation in youth gangs; or
4 (I) crimes against property, such as theft
5 or vandalism.

6 **SEC. 303. AUTHORIZATION OF APPROPRIATIONS.**

7 There are authorized to be appropriated \$75,000,000
8 for the fiscal year 1999, and such sums as may be nec-
9 essary for each of the fiscal years 2000 through 2003, to
10 carry out this title.

11 **SEC. 304. PROGRAM AUTHORIZED.**

12 (a) RESERVATION.—From the amount appropriated
13 pursuant to the authority of section 303 in any fiscal year,
14 the Secretary shall reserve and make available to the
15 Comptroller General of the United States 2 percent for
16 evaluation of programs assisted under this title in accord-
17 ance with section 313.

18 (b) GRANTS.—

19 (1) IN GENERAL.—From the amount appro-
20 priated pursuant to the authority of section 303 and
21 not reserved under subsection (a) for any fiscal year,
22 the Secretary shall award grants to eligible entities
23 to enable such entities to carry out at least 20, but
24 not more than 30, demonstration projects under
25 which low-income parents receive education certifi-

1 cates for the costs of enrolling their eligible children
2 in a choice school.

3 (2) AMOUNT.—The Secretary shall award
4 grants under paragraph (1) for fiscal year 1999 so
5 that—

6 (A) not more than 2 grants are awarded in
7 amounts of \$5,000,000 or less; and

8 (B) grants not described in subparagraph
9 (A) are awarded in amounts of \$3,000,000 or
10 less.

11 (3) CONTINUING ELIGIBILITY.—The Secretary
12 shall continue a demonstration project under this
13 title by awarding a grant under paragraph (1) to an
14 eligible entity that received such a grant for a fiscal
15 year preceding the fiscal year for which the deter-
16 mination is made, if the Secretary determines that
17 such eligible entity was in compliance with this title
18 for such preceding fiscal year.

19 (4) PRIORITY.—The Secretary shall give prior-
20 ity to awarding a grant under paragraph (1) to an
21 eligible entity that—

22 (A) is conducting a school choice program,
23 involving public or private schools, on the date
24 of enactment of this Act; and

1 (B) operates a school choice program, in-
2 volving public and private schools, that is au-
3 thorized by Federal law.

4 (c) USE OF GRANTS.—Grants awarded under sub-
5 section (b) shall be used to pay the costs of—

6 (1) providing education certificates to low-in-
7 come parents to enable such parents to pay the tui-
8 tion, the fees, the allowable costs of transportation,
9 if any, and the costs of complying with section
10 311(a), if any, for their eligible children to attend a
11 choice school; and

12 (2) administration of the demonstration project,
13 which shall not exceed 15 percent of the amount re-
14 ceived in the first fiscal year for which the eligible
15 entity provides education certificates under this title
16 or 10 percent in any subsequent year, including—

17 (A) seeking the involvement of choice
18 schools in the demonstration project;

19 (B) providing information about the dem-
20 onstration project, and the schools involved in
21 the demonstration project, to parents of eligible
22 children;

23 (C) making determinations of eligibility for
24 participation in the demonstration project for
25 eligible children;

1 (D) selecting students to participate in the
2 demonstration project;

3 (E) determining the amount of, and
4 issuing, education certificates;

5 (F) compiling and maintaining such finan-
6 cial and programmatic records as the Secretary
7 may prescribe; and

8 (G) collecting such information about the
9 effects of the demonstration project as the eval-
10 uating agency may need to conduct the evalua-
11 tion described in section 313.

12 (d) SUPPLEMENT NOT SUPPLANT.—Each eligible en-
13 tity receiving funds under this title shall use such funds
14 to supplement and not supplant the amount of funds that
15 would, in the absence of such Federal funds, be made
16 available from other sources to carry out the activities as-
17 sisted under this title.

18 (e) SUPPLEMENTATION OF FUNDING.—Each eligible
19 entity receiving funds under this section is encouraged to
20 supplement the funding received under this title with
21 funding received from State, local, or private sources.

22 (f) EDUCATION CERTIFICATES.—

23 (1) NOT SCHOOL AID.—An education certificate
24 provided under this title shall be considered assist-

1 ance to the student and shall not be considered as-
2 sistance to a choice school.

3 (2) TAXES AND DETERMINATIONS OF ELIGI-
4 BILITY FOR OTHER FEDERAL PROGRAMS.—Edu-
5 cation certificates provided under this title shall not
6 be considered as income to an eligible child or the
7 parent of such eligible child for Federal, State, or
8 local tax purposes or for determining eligibility for
9 any other Federal program.

10 **SEC. 305. AUTHORIZED PROJECTS; PRIORITY.**

11 (a) AUTHORIZED PROJECTS.—The Secretary may
12 award a grant under this title only for a demonstration
13 project that—

14 (1) involves at least one local educational agen-
15 cy that—

16 (A) receives funds under section 1124A of
17 the Elementary and Secondary Education Act
18 of 1965 (20 U.S.C. 6334); and

19 (B) is among the 20 percent of local edu-
20 cational agencies receiving funds under section
21 1124A of such Act (20 U.S.C. 6334) in the
22 State and having the highest number or great-
23 est percentage of children described in section
24 1124(c) of such Act (20 U.S.C. 6333(c)); and

1 (2) includes the involvement of a sufficient
 2 number of public and private choice schools, includ-
 3 ing religious schools, to allow for a valid demonstra-
 4 tion project.

5 (b) PRIORITY.—In awarding grants under this title,
 6 the Secretary shall give priority to demonstration
 7 projects—

8 (1) in which choice schools offer an enrollment
 9 opportunity to the broadest range of eligible chil-
 10 dren;

11 (2) that involve diverse types of choice schools;
 12 and

13 (3) that will contribute to the geographic diver-
 14 sity of demonstration projects assisted under this
 15 title, including awarding grants for demonstration
 16 projects in States that are primarily rural and
 17 awarding grants for demonstration projects in States
 18 that are primarily urban.

19 **SEC. 306. CIVIL RIGHTS.**

20 (a) IN GENERAL.—A choice school shall not discrimi-
 21 nate on the basis of race, color, national origin, or sex
 22 in carrying out the provisions of this title.

23 (b) APPLICABILITY AND CONSTRUCTION WITH RE-
 24 SPECT TO DISCRIMINATION ON THE BASIS OF SEX.—

1 (1) APPLICABILITY.—With respect to discrimi-
 2 nation on the basis of sex, subsection (a) shall not
 3 apply to a choice school that is controlled by a reli-
 4 gious organization if the application of subsection
 5 (a) is inconsistent with the religious tenets of the
 6 choice school.

7 (2) CONSTRUCTION.—With respect to discrimi-
 8 nation on the basis of sex, nothing in subsection (a)
 9 shall be construed to require any person, or public
 10 or private entity to provide or pay, or to prohibit any
 11 such person or entity from providing or paying, for
 12 any benefit or service, including the use of facilities,
 13 related to an abortion. Nothing in the preceding sen-
 14 tence shall be construed to permit a penalty to be
 15 imposed on any person or individual because such
 16 person or individual is seeking or has received any
 17 benefit or service related to a legal abortion.

18 (3) SINGLE-SEX SCHOOLS, CLASSES, OR ACTIVI-
 19 TIES.—With respect to discrimination on the basis
 20 of sex, nothing in subsection (a) shall be construed
 21 to prevent a parent from choosing, or a choice school
 22 from offering, a single-sex school, class, or activity.

23 **SEC. 307. CHILDREN WITH DISABILITIES.**

24 Nothing in this title shall affect the rights of stu-
 25 dents, or the obligations of public schools, under the Indi-

viduals with Disabilities Education Act (20 U.S.C. 1400 et seq.).

SEC. 308. RULE OF CONSTRUCTION.

(a) IN GENERAL.—Nothing in this title shall be construed to prevent any choice school which is operated by, supervised by, controlled by, or connected to, a religious organization from employing, admitting, or giving preference to, persons of the same religion to the extent determined by the choice school to promote the religious purpose for which the choice school is established or maintained.

(b) SECTARIAN PURPOSES.—Nothing in this title shall be construed to prohibit the use of funds made available under this title for sectarian educational purposes, or to require a choice school to remove religious art, icons, scripture, or other symbols.

SEC. 309. APPLICATIONS.

(a) IN GENERAL.—Any eligible entity that wishes to receive a grant under this title shall submit an application to the Secretary at such time and in such manner as the Secretary may prescribe.

(b) CONTENTS.—Each application described in subsection (a) shall contain—

1 (1) information demonstrating the eligibility for
2 participation in the demonstration program of the
3 eligible entity;

4 (2) a description of how the eligible entity will
5 determine a school to be a unsafe school in accord-
6 ance with section 302(11);

7 (3) with respect to choice schools—

8 (A) a description of the types of potential
9 choice schools that will be involved in the dem-
10 onstration project;

11 (B)(i) a description of the procedures used
12 to encourage public and private schools to be
13 involved in the demonstration project; and

14 (ii) a description of how the eligible entity
15 will annually determine the number of spaces
16 available for eligible children in each choice
17 school;

18 (C) an assurance that each choice school
19 will not impose higher standards for admission
20 or participation in its programs and activities
21 for eligible children provided education certifi-
22 cates under this title than the choice school
23 does for other children;

24 (D) an assurance that the eligible entity
25 will terminate the involvement of any choice

1 school that fails to comply with the conditions
2 of its involvement in the demonstration project;
3 and

4 (E) a description of the extent to which
5 choice schools will accept education certificates
6 under this title as full or partial payment for
7 tuition and fees;

8 (4) with respect to the participation in the dem-
9 onstration project of eligible children—

10 (A) a description of the procedures to be
11 used to make a determination of eligibility for
12 participation in the demonstration project for
13 an eligible child;

14 (B) a description of the procedures to be
15 used to ensure that, in selecting eligible chil-
16 dren to participate in the demonstration
17 project, the eligible entity will—

18 (i) apply the same criteria to both
19 public and private school eligible children;
20 and

21 (ii) give priority to eligible children
22 from the lowest income families;

23 (C) a description of the procedures to be
24 used to ensure maximum choice of schools for
25 participating eligible children; and

1 (D) a description of the procedures to be
2 used to ensure compliance with section 311(a),
3 which may include—

4 (i) the direct provision of services by
5 a local educational agency; and

6 (ii) arrangements made by a local
7 educational agency with other service pro-
8 viders;

9 (5) with respect to the operation of the dem-
10 onstration project—

11 (A) a description of the procedures to be
12 used for the issuance and redemption of edu-
13 cation certificates under this title;

14 (B) a description of the procedures by
15 which a choice school will make a pro rata re-
16 fund of the education certificate under this title
17 for any participating eligible child who with-
18 draws from the school for any reason, before
19 completing 75 percent of the school attendance
20 period for which the education certificate was
21 issued;

22 (C) a description of the procedures to be
23 used to provide the parental notification de-
24 scribed in section 312;

1 (D) an assurance that the eligible entity
 2 will place all funds received under this title into
 3 a separate account, and that no other funds will
 4 be placed in such account;

5 (E) an assurance that the eligible entity
 6 will cooperate with the Comptroller General of
 7 the United States and the evaluating agency in
 8 carrying out the evaluations described in section
 9 313; and

10 (F) an assurance that the eligible entity
 11 will—

12 (i) maintain such records as the Sec-
 13 retary may require; and

14 (ii) comply with reasonable requests
 15 from the Secretary for information; and

16 (6) such other assurances and information as
 17 the Secretary may require.

18 **SEC. 310. EDUCATION CERTIFICATES.**

19 (a) EDUCATION CERTIFICATES.—

20 (1) AMOUNT.—The amount of an eligible
 21 child's education certificate under this title shall be
 22 determined by the eligible entity, but shall be an
 23 amount that provides to the recipient of the edu-
 24 cation certificate the maximum degree of choice in

1 selecting the choice school the eligible child will at-
2 tend.

3 (2) CONSIDERATIONS.—

4 (A) IN GENERAL.—Subject to such regula-
5 tions as the Secretary shall prescribe, in deter-
6 mining the amount of an education certificate
7 under this title an eligible entity shall con-
8 sider—

9 (i) the additional reasonable costs of
10 transportation directly attributable to the
11 eligible child's participation in the dem-
12 onstration project; and

13 (ii) the cost of complying with section
14 311(a).

15 (B) SCHOOLS CHARGING TUITION.—If an
16 eligible child participating in a demonstration
17 project under this title was attending a public
18 or private school that charged tuition for the
19 year preceding the first year of such participa-
20 tion, then in determining the amount of an edu-
21 cation certificate for such eligible child under
22 this title the eligible entity shall consider—

23 (i) the tuition charged by such school
24 for such eligible child in such preceding
25 year; and

1 (ii) the amount of the education cer-
2 tificates under this title that are provided
3 to other eligible children.

4 (3) SPECIAL RULE.—An eligible entity may pro-
5 vide an education certificate under this title to the
6 parent of an eligible child who chooses to attend a
7 school that does not charge tuition or fees, to pay
8 the additional reasonable costs of transportation di-
9 rectly attributable to the eligible child’s participation
10 in the demonstration project or the cost of comply-
11 ing with section 311(a).

12 (b) ADJUSTMENT.—The amount of the education cer-
13 tificate for a fiscal year may be adjusted in the second
14 and third years of an eligible child’s participation in a
15 demonstration project under this title to reflect any in-
16 crease or decrease in the tuition, fees, or transportation
17 costs directly attributable to that eligible child’s continued
18 attendance at a choice school, but shall not be increased
19 for this purpose by more than 10 percent of the amount
20 of the education certificate for the fiscal year preceding
21 the fiscal year for which the determination is made. The
22 amount of the education certificate may also be adjusted
23 in any fiscal year to comply with section 311(a).

24 (c) MAXIMUM AMOUNT.—Notwithstanding any other
25 provision of this section, the amount of an eligible child’s

1 education certificate shall not exceed the per pupil expend-
 2 iture for elementary or secondary education, as appro-
 3 priate, by the local educational agency in which the public
 4 school to which the eligible child would normally be as-
 5 signed is located for the fiscal year preceding the fiscal
 6 year for which the determination is made.

7 **SEC. 311. EFFECT ON OTHER PROGRAMS.**

8 (a) EFFECT ON OTHER PROGRAMS.—An eligible
 9 child participating in a demonstration project under this
 10 title, who, in the absence of such a demonstration project,
 11 would have received services under part A of title I of the
 12 Elementary and Secondary Education Act of 1965 (20
 13 U.S.C. 6311 et seq.) shall be provided such services.

14 (b) COUNTING OF ELIGIBLE CHILDREN.—Notwith-
 15 standing any other provision of law, any local educational
 16 agency participating in a demonstration project under this
 17 title may count eligible children who, in the absence of
 18 such a demonstration project, would attend the schools of
 19 such agency, for purposes of receiving funds under any
 20 program administered by the Secretary.

21 **SEC. 312. PARENTAL NOTIFICATION.**

22 Each eligible entity receiving a grant under this title
 23 shall provide timely notice of the demonstration project
 24 to parents of eligible children residing in the area to be

1 served by the demonstration project. At a minimum, such
 2 notice shall—

3 (1) describe the demonstration project;

4 (2) describe the eligibility requirements for par-
 5 ticipation in the demonstration project;

6 (3) describe the information needed to make a
 7 determination of eligibility for participation in the
 8 demonstration project for an eligible child;

9 (4) describe the selection procedures to be used
 10 if the number of eligible children seeking to partici-
 11 pate in the demonstration project exceeds the num-
 12 ber that can be accommodated in the demonstration
 13 project;

14 (5) provide information about each choice
 15 school, including information about any admission
 16 requirements or criteria for each choice school par-
 17 ticipating in the demonstration project; and

18 (6) include the schedule for parents to apply for
 19 their eligible children to participate in the dem-
 20 onstration project.

21 **SEC. 313. EVALUATION.**

22 (a) ANNUAL EVALUATION.—

23 (1) CONTRACT.—The Comptroller General of
 24 the United States shall enter into a contract, with
 25 an evaluating agency that has demonstrated experi-

1 ence in conducting evaluations, for the conduct of an
2 ongoing rigorous evaluation of the demonstration
3 program under this title.

4 (2) ANNUAL EVALUATION REQUIREMENT.—The
5 contract described in paragraph (1) shall require the
6 evaluating agency entering into such contract to an-
7 nually evaluate each demonstration project under
8 this title in accordance with the evaluation criteria
9 described in subsection (b).

10 (3) TRANSMISSION.—The contract described in
11 paragraph (1) shall require the evaluating agency
12 entering into such contract to transmit to the Comp-
13 troller General of the United States—

14 (A) the findings of each annual evaluation
15 under paragraph (1); and

16 (B) a copy of each report received pursu-
17 ant to section 314(a) for the applicable year.

18 (b) EVALUATION CRITERIA.—The Comptroller Gen-
19 eral of the United States, in consultation with the Sec-
20 retary, shall establish minimum criteria for evaluating the
21 demonstration program under this title. Such criteria shall
22 provide for—

23 (1) a description of the implementation of each
24 demonstration project under this title and the dem-
25 onstration project's effects on all participants,

1 schools, and communities in the demonstration
 2 project area, with particular attention given to the
 3 effect of parent participation in the life of the school
 4 and the level of parental satisfaction with the dem-
 5 onstration program; and

6 (2) a comparison of the educational achieve-
 7 ment of, and the incidences of violence and drug ac-
 8 tivity related to, all students in the demonstration
 9 project area, including a comparison of similar—

10 (A) students receiving education certifi-
 11 cates under this title; and

12 (B) students not receiving education cer-
 13 tificates under this title.

14 **SEC. 314. REPORTS.**

15 (a) REPORT BY GRANT RECIPIENT.—Each eligible
 16 entity receiving a grant under this title shall submit to
 17 the evaluating agency entering into the contract under sec-
 18 tion 313(a)(1) an annual report regarding the demonstra-
 19 tion project under this title. Each such report shall be sub-
 20 mitted at such time, in such manner, and accompanied
 21 by such information, as such evaluating agency may re-
 22 quire.

23 (b) REPORTS BY COMPTROLLER GENERAL.—

24 (1) ANNUAL REPORTS.—The Comptroller Gen-
 25 eral of the United States shall report annually to the

1 Congress on the findings of the annual evaluation
 2 under section 313(a)(2) of each demonstration
 3 project under this title. Each such report shall con-
 4 tain a copy of—

5 (A) the annual evaluation under section
 6 313(a)(2) of each demonstration project under
 7 this title; and

8 (B) each report received under subsection
 9 (a) for the applicable year.

10 (2) FINAL REPORT.—The Comptroller General
 11 shall submit a final report to the Congress within 6
 12 months after the conclusion of the demonstration
 13 program under this title that summarizes the find-
 14 ings of the annual evaluations conducted pursuant to
 15 section 313(a)(2).

16 **TITLE IV—TESTING AND MERIT** 17 **PAY FOR TEACHERS**

18 **SEC. 401. FINDINGS.**

19 Congress makes the following findings:

20 (1) Students have a right to be taught by com-
 21 petent, caring, and qualified teachers.

22 (2) Students are better able to achieve high
 23 standards when taught by teachers who are prepared
 24 to teach in new ways and who are supported by

1 schools that are prepared to reward high-quality
2 teaching.

3 (3) Studies show that the best teachers are
4 teachers who know their subject matter, understand
5 how children learn, and have mastered a wide range
6 of teaching methods.

7 (4) Few States require periodic assessment of
8 teacher performance. Yet States require continuing
9 education, and in some cases reassessment, for a
10 number of other professions. Continuing professional
11 certification or licensing should be granted to teach-
12 ers only upon the positive completion of performance
13 assessments.

14 (5) States should develop a performance assess-
15 ment model for their teachers and other instruc-
16 tional staff, and should administer the assessment at
17 least every 3 to 5 years.

18 (6) Teaching is one of the most important and
19 challenging tasks one can undertake in adult life.
20 However, salaries for teachers lag behind other pro-
21 fessions for which a college degree is expected or re-
22 quired.

23 (7) Existing career tracks and compensation in
24 teaching create a career path that places classroom
25 teaching at the bottom, provides teachers with little

1 influence in making key decisions, and requires a
 2 teacher to leave the classroom if the teacher wants
 3 greater responsibility and higher pay.

4 (8) Evaluating and rewarding teachers with a
 5 compensation system that supports teachers who be-
 6 come increasingly expert in a subject area, are pro-
 7 ficient in meeting the needs of students and schools,
 8 and demonstrate high levels of performance meas-
 9 ured against professional teaching standards—

10 (A) will encourage teachers to continue to
 11 learn needed skills, and broaden the teachers’
 12 expertise; and

13 (B) will enhance education for students.

14 **SEC. 402. TEACHER TESTING; MERIT PAY; HIRING OF**
 15 **TEACHERS.**

16 (a) IN GENERAL.—Notwithstanding any other provi-
 17 sion of law, a State may use Federal education funds—

18 (1) to carry out an assessment of the perform-
 19 ance of each elementary school or secondary school
 20 teacher in the State;

21 (2) to establish a merit pay program for the
 22 teachers; or

23 (3) to hire elementary school or secondary
 24 school teachers who are certified or licensed to teach
 25 in the State.

(b) DEFINITIONS.—In this title, the terms “elementary school” and “secondary school” have the meanings given the terms in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

TITLE V—READING EXCELLENCE

SEC. 501. SHORT TITLE.

This title may be cited as the “Reading Excellence Act”.

Subtitle A—Reading Grants

SEC. 511. AMENDMENT TO ESEA FOR READING GRANTS.

The Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) is amended by adding at the end the following:

“TITLE XV—READING GRANTS

“SEC. 15101. PURPOSE.

“The purposes of this title are as follows:

“(1) To teach every child to read in their early childhood years—

“(A) as soon as they are ready to read; or

“(B) as soon as possible once they enter school, but not later than 3d grade.

“(2) To improve the reading skills of students, and the in-service instructional practices for teachers who teach reading, through the use of findings from

1 reliable, replicable research on reading, including
2 phonics.

3 “(3) To expand the number of high-quality
4 family literacy programs.

5 “(4) To reduce the number of children who are
6 inappropriately referred to special education due to
7 reading difficulties.

8 **“SEC. 15102. DEFINITIONS.**

9 “For purposes of this title:

10 “(1) ELIGIBLE PROFESSIONAL DEVELOPMENT
11 PROVIDER.—The term ‘eligible professional develop-
12 ment provider’ means a provider of professional de-
13 velopment in reading instruction to teachers that is
14 based on reliable, replicable research on reading.

15 “(2) ELIGIBLE RESEARCH INSTITUTION.—The
16 term ‘eligible research institution’ means an institu-
17 tion of higher education at which reliable, replicable
18 research on reading has been conducted.

19 “(3) FAMILY LITERACY SERVICES.—The term
20 ‘family literacy services’ means services provided to
21 participants on a voluntary basis that are of suffi-
22 cient intensity in terms of hours, and of sufficient
23 duration, to make sustainable changes in a family
24 (such as eliminating or reducing welfare depend-

1 ency) and that integrate all of the following activi-
2 ties:

3 “(A) Interactive literacy activities between
4 parents and their children.

5 “(B) Equipping parents to partner with
6 their children in learning.

7 “(C) Parent literacy training, including
8 training that contributes to economic self-suffi-
9 ciency.

10 “(D) Appropriate instruction for children
11 of parents receiving parent literacy services.

12 “(4) READING.—The term ‘reading’ means the
13 process of comprehending the meaning of written
14 text by depending on—

15 “(A) the ability to use phonics skills, that
16 is, knowledge of letters and sounds, to decode
17 printed words quickly and effortlessly, both si-
18 lently and aloud;

19 “(B) the ability to use previously learned
20 strategies for reading comprehension; and

21 “(C) the ability to think critically about
22 the meaning, message, and aesthetic value of
23 the text.

24 “(5) READING READINESS.—The term ‘reading
25 readiness’ means activities that—

1 “(A) provide experience and opportunity
2 for language development;

3 “(B) create appreciation of the written
4 word;

5 “(C) develop an awareness of printed lan-
6 guage, the alphabet, and phonemic awareness;
7 and

8 “(D) develop an understanding that spo-
9 ken and written language is made up of pho-
10 nemes, syllables, and words.

11 “(6) RELIABLE, REPLICABLE RESEARCH.—The
12 term ‘reliable, replicable research’ means objective,
13 valid, scientific studies that—

14 “(A) include rigorously defined samples of
15 subjects that are sufficiently large and rep-
16 resentative to support the general conclusions
17 drawn;

18 “(B) rely on measurements that meet es-
19 tablished standards of reliability and validity;

20 “(C) test competing theories, where mul-
21 tiple theories exist;

22 “(D) are subjected to peer review before
23 their results are published; and

24 “(E) discover effective strategies for im-
25 proving reading skills.

1 **“SEC. 15103. GRANTS TO READING AND LITERACY PART-**
 2 **NERSHIPS.**

3 “(a) PROGRAM AUTHORIZED.—The Secretary may
 4 make grants on a competitive basis to reading and literacy
 5 partnerships for the purpose of permitting such partner-
 6 ships to make subgrants under sections 15104 and 15105.

7 “(b) READING AND LITERACY PARTNERSHIPS.—

8 “(1) COMPOSITION.—

9 “(A) REQUIRED PARTICIPANTS.—In order
 10 to receive a grant under this section, a State
 11 shall establish a reading and literacy partner-
 12 ship consisting of at least the following partici-
 13 pants:

14 “(i) The Governor of the State.

15 “(ii) The chief State school officer.

16 “(iii) The chairman and the ranking
 17 member of each committee of the State
 18 legislature that is responsible for education
 19 policy.

20 “(iv) A representative, selected jointly
 21 by the Governor and the chief State school
 22 officer, of at least 1 local educational agen-
 23 cy that has at least 1 school that is identi-
 24 fied for school improvement under section
 25 1116(c) in the geographic area served by
 26 the agency.

1 “(v) A representative, selected jointly
 2 by the Governor and the chief State school
 3 officer, of a community-based organization
 4 working with children to improve their
 5 reading skills, particularly a community-
 6 based organization using volunteers.

7 “(B) OPTIONAL PARTICIPANTS.—A read-
 8 ing and literacy partnership may include addi-
 9 tional participants, who shall be selected jointly
 10 by the Governor and the chief State school offi-
 11 cer, which may include—

12 “(i) State directors of appropriate
 13 Federal or State programs with a strong
 14 reading component;

15 “(ii) a parent of a public or private
 16 school student or a parent who educates
 17 their child or children in their home;

18 “(iii) a teacher who teaches reading;
 19 or

20 “(iv) a representative of (I) an insti-
 21 tution of higher education operating a pro-
 22 gram of teacher preparation in the State;
 23 (II) a local educational agency; (III) an eli-
 24 gible research institution; (IV) a private
 25 nonprofit or for-profit eligible professional

1 development provider providing instruction
 2 based on reliable, replicable research on
 3 reading; (V) a family literacy service pro-
 4 vider; (VI) an adult education provider;
 5 (VII) a volunteer organization that is in-
 6 volved in reading programs; or (VIII) a
 7 school or a public library that offers read-
 8 ing or literacy programs for children or
 9 families.

10 “(2) AGREEMENT.—The contractual agreement
 11 that establishes a reading and literacy partnership—

12 “(A) shall specify—

13 “(i) the nature and extent of the asso-
 14 ciation among the participants referred to
 15 in paragraph (1); and

16 “(ii) the roles and duties of each such
 17 participant; and

18 “(B) shall remain in effect during the en-
 19 tire grant period proposed in the partnership’s
 20 grant application under subsection (e).

21 “(3) FUNCTIONS.—Each reading and literacy
 22 partnership for a State shall prepare and submit an
 23 application under subsection (e) and, if the partner-
 24 ship receives a grant under this section—

1 “(A) shall solicit applications for, and
2 award, subgrants under sections 15104 and
3 15105;

4 “(B) shall oversee the performance of the
5 subgrants and submit performance reports in
6 accordance with subsection (h);

7 “(C) if sufficient grant funds are available
8 under this title—

9 “(i) work to enhance the capacity of
10 agencies in the State to disseminate reli-
11 able, replicable research on reading to
12 schools, classrooms, and providers of early
13 education and child care;

14 “(ii) facilitate the provision of tech-
15 nical assistance to subgrantees under sec-
16 tions 15104 and 15105 by providing the
17 subgrantees information about technical
18 assistance providers; and

19 “(iii) build on, and promote coordina-
20 tion among, literacy programs in the State,
21 in order to increase their effectiveness and
22 to avoid duplication of their efforts; and

23 “(D) shall ensure that each local edu-
24 cational agency to which the partnership makes
25 a subgrant under section 15104 makes avail-

1 able, upon request and in an understandable
2 and uniform format, to any parent of a student
3 attending any school selected under section
4 15104(a)(2) in the geographic area served by
5 the agency, information regarding the qualifica-
6 tions of the student’s classroom teacher to pro-
7 vide instruction in reading.

8 “(4) FISCAL AGENT.—The State educational
9 agency shall act as the fiscal agent for the reading
10 and literacy partnership for the purposes of receipt
11 of funds from the Secretary, disbursement of funds
12 to subgrantees under sections 15104 and 15105,
13 and accounting for such funds.

14 “(c) PREEXISTING PARTNERSHIP.—If, before the
15 date of the enactment of the Reading Excellence Act, a
16 State established a consortium, partnership, or any other
17 similar body, that includes the Governor and the chief
18 State school officer and has, as a central part of its mis-
19 sion, the promotion of literacy for children in their early
20 childhood years through the 3d grade, but that does not
21 satisfy the requirements of subsection (b)(1), the State
22 may elect to treat that consortium, partnership, or body
23 as the reading and literacy partnership for the State not-
24 withstanding such subsection, and the consortium, part-
25 nership, or body shall be considered a reading and literacy

1 partnership for purposes of the other provisions of this
2 title.

3 “(d) MULTI-STATE PARTNERSHIP ARRANGE-
4 MENTS.—A reading and literacy partnership that satisfies
5 the requirements of subsection (b) may join with other
6 such partnerships in other States to develop a single appli-
7 cation that satisfies the requirements of subsection (e) and
8 identifies which State educational agency, from among the
9 States joining, shall act as the fiscal agent for the multi-
10 State arrangement. For purposes of the other provisions
11 of this title, any such multi-State arrangement shall be
12 considered to be a reading and literacy partnership.

13 “(e) APPLICATIONS.—A reading and literacy partner-
14 ship that desires to receive a grant under this section shall
15 submit an application to the Secretary at such time, in
16 such manner, and including such information as the Sec-
17 retary may require. The application—

18 “(1) shall describe how the partnership will en-
19 sure that 95 percent of the grant funds are used to
20 make subgrants under sections 15104 and 15105;

21 “(2) shall be integrated, to the maximum extent
22 possible, with State plans and programs under this
23 Act, the Individuals with Disabilities Education Act
24 (20 U.S.C. 1400 et seq.), and, to the extent appro-

1 appropriate, the Adult Education Act (20 U.S.C. 1201 et
2 seq.);

3 “(3) shall describe how the partnership will en-
4 sure that professional development funds available at
5 the State and local levels are used effectively to im-
6 prove instructional practices for reading and are
7 based on reliable, replicable research on reading;

8 “(4) shall describe—

9 “(A) the contractual agreement that estab-
10 lishes the partnership, including at least the ele-
11 ments of the agreement referred to in sub-
12 section (b)(2);

13 “(B) how the partnership will assess, on a
14 regular basis, the extent to which the activities
15 undertaken by the partnership and the partner-
16 ship’s subgrantees under this title have been ef-
17 fective in achieving the purposes of this title;

18 “(C) what evaluation instruments the part-
19 nership will use to determine the success of
20 local educational agencies to whom subgrants
21 under sections 15104 and 15105 are made in
22 achieving the purposes of this title;

23 “(D) how subgrants made by the partner-
24 ship under such sections will meet the require-
25 ments of this title, including how the partner-

1 ship will ensure that subgrantees will use prac-
2 tices based on reliable, replicable research on
3 reading; and

4 “(E) how the partnership will, to the ex-
5 tent practicable, make grants to subgrantees in
6 both rural and urban areas;

7 “(5) shall include an assurance that each local
8 educational agency to whom the partnership makes
9 a subgrant under section 15104—

10 “(A) will carry out family literacy pro-
11 grams based on the Even Start family literacy
12 model authorized under part B of title I to en-
13 able parents to be their child’s first and most
14 important teacher, and will make payments for
15 the receipt of technical assistance for the devel-
16 opment of such programs;

17 “(B) will carry out programs to assist
18 those kindergarten students who are not ready
19 for the transition to 1st grade, particularly stu-
20 dents experiencing difficulty with reading skills;

21 “(C) will use supervised individuals (in-
22 cluding tutors), who have been appropriately
23 trained using reliable, replicable research on
24 reading, to provide additional support, before
25 school, after school, on weekends, during non-

1 instructional periods of the school day, or dur-
 2 ing the summer, for students in grades 1
 3 through 3 who are experiencing difficulty read-
 4 ing; and

5 “(D) will carry out professional develop-
 6 ment for the classroom teacher and other ap-
 7 propriate teaching staff on the teaching of read-
 8 ing based on reliable, replicable research on
 9 reading; and

10 “(6) shall describe how the partnership—

11 “(A) will ensure that a portion of the
 12 grant funds that the partnership receives in
 13 each fiscal year will be used to make subgrants
 14 under section 15105; and

15 “(B) will make local educational agencies
 16 described in section 15105(a)(1) aware of the
 17 availability of such subgrants.

18 “(f) PEER REVIEW PANEL.—

19 “(1) COMPOSITION OF PEER REVIEW PANEL.—

20 “(A) IN GENERAL.—The National Insti-
 21 tute for Literacy, in consultation with the Na-
 22 tional Research Council of the National Acad-
 23 emy of Sciences, the National Institute of Child
 24 Health and Human Development, and the Sec-
 25 retary, shall convene a panel to evaluate appli-

cations under this section. At a minimum the panel shall include representatives of the National Institute for Literacy, the National Research Council of the National Academy of Sciences, the National Institute of Child Health and Human Development, and the Secretary.

“(B) EXPERTS.—The panel shall include experts who are competent, by virtue of their training, expertise, or experience, to evaluate applications under this section, and experts who provide professional development to teachers of reading to children and adults, based on reliable, replicable research on reading.

“(C) LIMITATION.—Not more than $\frac{1}{3}$ of the panel may be composed of individuals who are employees of the Federal Government.

“(2) PAYMENT OF FEES AND EXPENSES OF CERTAIN MEMBERS.—The Secretary shall use funds reserved under section 15110(b)(2) to pay the expenses and fees of panel members who are not employees of the Federal Government.

“(3) DUTIES OF PANEL.—

“(A) MODEL APPLICATION FORMS.—The peer review panel shall develop a model application form for reading and literacy partnerships

1 desiring to apply for a grant under this section.

2 The peer review panel shall submit the model
3 application form to the Secretary for final ap-
4 proval.

5 “(B) SELECTION OF APPLICATIONS.—

6 “(i) RECOMMENDATIONS OF PANEL.—

7 “(I) IN GENERAL.—The Sec-
8 retary shall receive grant applications
9 from reading and literacy partnerships
10 under this section and shall provide
11 the applications to the peer review
12 panel for evaluation. With respect to
13 each application, the peer review panel
14 shall initially recommend the applica-
15 tion for funding or for disapproval.

16 “(II) PRIORITY.—In recommend-
17 ing applications to the Secretary, the
18 panel shall give priority to applica-
19 tions from States that have modified,
20 are modifying, or provide an assur-
21 ance that not later than 1 year after
22 receiving a grant under this section
23 the State will modify, State teacher
24 certification in the area of reading to
25 reflect reliable, replicable research, ex-

cept that nothing in this title shall be construed to establish a national system of teacher certification.

“(III) RANKING OF APPLICATIONS.—With respect to each application recommended for funding, the panel shall assign the application a rank, relative to other recommended applications, based on the priority described in subclause (II), the extent to which the application furthers the purposes of this title, and the overall quality of the application.

“(IV) RECOMMENDATION OF AMOUNT.—With respect to each application recommended for funding, the panel shall make a recommendation to the Secretary with respect to the amount of the grant that should be made.

“(ii) SECRETARIAL SELECTION.—

“(I) IN GENERAL.—Subject to clause (iii), the Secretary shall determine, based on the peer review panel’s recommendations, which applications

1 from reading and literacy partnerships
2 shall receive funding and the amounts
3 of such grants. In determining grant
4 amounts, the Secretary shall take into
5 account the total amount of funds
6 available for all grants under this sec-
7 tion and the types of activities pro-
8 posed to be carried out by the part-
9 nership.

10 “(II) EFFECT OF RANKING BY
11 PANEL.—In making grants under this
12 section, the Secretary shall select ap-
13 plications according to the ranking of
14 the applications by the peer review
15 panel, except in cases where the Sec-
16 retary determines, for good cause,
17 that a variation from that order is ap-
18 propriate.

19 “(iii) MINIMUM GRANT AMOUNTS.—
20 Each reading and literacy partnership se-
21 lected to receive a grant under this section
22 shall receive an amount for each fiscal year
23 that is not less than \$100,000.

24 “(g) LIMITATION ON ADMINISTRATIVE EXPENSES.—

25 A reading and literacy partnership that receives a grant

1 under this section may use not more than 3 percent of
2 the grant funds for administrative costs.

3 “(h) REPORTING.—

4 “(1) IN GENERAL.—A reading and literacy
5 partnership that receives a grant under this section
6 shall submit performance reports to the Secretary
7 pursuant to a schedule to be determined by the Sec-
8 retary, but not more frequently than annually. Such
9 reports shall include—

10 “(A) the results of use of the evaluation in-
11 struments referred to in subsection (e)(4)(C);

12 “(B) the process used to select sub-
13 grantees;

14 “(C) a description of the subgrantees re-
15 ceiving funds under this title; and

16 “(D) with respect to subgrants under sec-
17 tion 15104, the model or models of reading in-
18 struction, based on reliable, replicable research
19 on reading, selected by subgrantees.

20 “(2) PROVISION TO PEER REVIEW PANEL.—The
21 Secretary shall provide the reports submitted under
22 paragraph (1) to the peer review panel convened
23 under subsection (f). The panel shall use such re-
24 ports in recommending applications for funding
25 under this section.

1 **“SEC. 15104. LOCAL READING IMPROVEMENT SUBGRANTS.**

2 “(a) IN GENERAL.—

3 “(1) SUBGRANTS.—A reading and literacy part-
4 nership that receives a grant under section 15103
5 shall make subgrants, on a competitive basis, to
6 local educational agencies that have at least 1 school
7 that is identified for school improvement under sec-
8 tion 1116(c) in the geographic area served by the
9 agency.

10 “(2) ROLE OF LOCAL EDUCATIONAL AGEN-
11 CIES.—A local educational agency that receives a
12 subgrant under this section shall use the subgrant in
13 a manner consistent with this section to advance re-
14 form of reading instruction in any school selected by
15 the agency that—

16 “(A) is identified for school improvement
17 under section 1116(c) at the time the agency
18 receives the subgrant; and

19 “(B) has a contractual association with 1
20 or more community-based organizations that
21 have established a record of effectiveness with
22 respect to reading readiness, reading instruction
23 for children in kindergarten through 3d grade,
24 and early childhood literacy.

25 “(b) GRANT PERIOD.—A subgrant under this section
26 shall be for a period of 3 years and may not be revoked

1 or terminated on the ground that a school ceases, during
2 the grant period, to be identified for school improvement
3 under section 1116(c).

4 “(c) APPLICATIONS.—A local educational agency that
5 desires to receive a subgrant under this section shall sub-
6 mit an application to the reading and literacy partnership
7 at such time, in such manner, and including such informa-
8 tion as the partnership may require. The application—

9 “(1) shall describe how the local educational
10 agency will work with schools selected by the agency
11 under subsection (a)(2) to select 1 or more models
12 of reading instruction, developed using reliable,
13 replicable research on reading, as a model for imple-
14 menting and improving reading instruction by all
15 teachers and for all children in each of the schools
16 selected by the agency under such subsection and,
17 where appropriate, their parents;

18 “(2) shall select 1 or more models described in
19 paragraph (1), for the purpose described in such
20 paragraph, and shall describe each such selected
21 model;

22 “(3) shall demonstrate that a person respon-
23 sible for the development of each such model, or a
24 person with experience or expertise about such
25 model and its implementation, has agreed to work

1 with the applicant in connection with such imple-
2 mentation and improvement efforts;

3 “(4) shall describe—

4 “(A) how the applicant will ensure that
5 funds available under this title, and funds avail-
6 able for reading for grades kindergarten
7 through grade 6 from other appropriate
8 sources, are effectively coordinated and, where
9 appropriate, integrated, with funds under this
10 Act in order to improve existing activities in the
11 areas of reading instruction, professional devel-
12 opment, program improvement, parental in-
13 volvement, technical assistance, and other ac-
14 tivities that can help meet the purposes of this
15 title; and

16 “(B) the amount of funds available for
17 reading for grades kindergarten through grade
18 6 from appropriate sources other than this title,
19 including title I (except that such description
20 shall not be required to include funds made
21 available under part B of title I unless the ap-
22 plicant has established a contractual association
23 in accordance with subsection (d)(2) with an el-
24 igible entity under such part B), the Individuals
25 with Disabilities Education Act (20 U.S.C.

1 1400 et seq.), and any other law providing Fed-
2 eral financial assistance for professional devel-
3 opment for teachers of such grades who teach
4 reading, which will be used to help achieve the
5 purposes of this title;

6 “(5) shall describe the amount and nature of
7 funds from any other public or private sources, in-
8 cluding funds received under this Act and the Indi-
9 viduals with Disabilities Education Act (20 U.S.C.
10 1400 et seq.), that will be combined with funds re-
11 ceived under the subgrant;

12 “(6) shall include an assurance that the appli-
13 cant—

14 “(A) will carry out family literacy pro-
15 grams based on the Even Start family literacy
16 model authorized under part B of title I to en-
17 able parents to be their child’s first and most
18 important teacher, will make payments for the
19 receipt of technical assistance for the develop-
20 ment of such programs;

21 “(B) will carry out programs to assist
22 those kindergarten students who are not ready
23 for the transition to 1st grade, particularly stu-
24 dents experiencing difficulty with reading skills;

1 “(C) will use supervised individuals (in-
2 cluding tutors), who have been appropriately
3 trained using reliable, replicable research on
4 reading, to provide additional support, before
5 school, after school, on weekends, during non-
6 instructional periods of the school day, or dur-
7 ing the summer, for students in grades 1
8 through 3 who are experiencing difficulty read-
9 ing; and

10 “(D) will carry out professional develop-
11 ment for the classroom teacher and other teach-
12 ing staff on the teaching of reading based on
13 reliable, replicable research on reading;

14 “(7) shall describe how the local educational
15 agency provides instruction in reading to children
16 who have not been determined to be a child with a
17 disability (as defined in section 602 of the Individ-
18 uals with Disabilities Education Act (20 U.S.C.
19 1401)), pursuant to section 614(b)(5) of such Act
20 (20 U.S.C. 1414(a)(5)), because of a lack of instruc-
21 tion in reading; and

22 “(8) shall indicate the amount of the subgrant
23 funds (if any) that the applicant will use to carry
24 out the duties described in section 15105(b)(2).

1 “(d) PRIORITY.—In approving applications under
2 this section, a reading and literacy partnership shall give
3 priority to an application submitted by an applicant who
4 demonstrates that the applicant has established—

5 “(1) a contractual association with 1 or more
6 Head Start programs under the Head Start Act (42
7 U.S.C. 9801 et seq.) under which—

8 “(A) the Head Start program agrees to se-
9 lect the same model or models of reading in-
10 struction, as a model for implementing and im-
11 proving the reading readiness of children par-
12 ticipating in the program, as was selected by
13 the applicant; and

14 “(B) the applicant agrees—

15 “(i) to share with the Head Start pro-
16 gram an appropriate amount of the appli-
17 cant’s information resources with respect
18 to the model, such as curricula materials;
19 and

20 “(ii) to train personnel from the Head
21 Start program;

22 “(2) a contractual association with 1 or more
23 State- or federally-funded preschool programs, or
24 family literacy programs, under which—

1 “(A) the program agrees to select the same
2 model or models of reading instruction, as a
3 model for implementing and improving reading
4 instruction in the program’s activities, as was
5 selected by the applicant; and

6 “(B) the applicant agrees to train person-
7 nel from the program who work with children
8 and parents in schools selected under subsection
9 (a)(2); or

10 “(3) a contractual association with 1 or more
11 public libraries providing reading or literacy services
12 to preschool children, or preschool children and their
13 families, under which—

14 “(A) the library agrees to select the same
15 model or models of reading instruction, as a
16 model for implementing and improving reading
17 instruction in the library’s reading or literacy
18 programs, as was selected by the applicant; and

19 “(B) the applicant agrees to train person-
20 nel, including volunteers, from such programs
21 who work with preschool children, or preschool
22 children and their families, in schools selected
23 under subsection (a)(2).

24 “(e) USE OF FUNDS.—

1 “(1) IN GENERAL.—Subject to paragraph (2),
2 an applicant who receives a subgrant under this sec-
3 tion may use the subgrant funds to carry out activi-
4 ties that are authorized by this title and described
5 in the subgrant application, including the following:

6 “(A) Making reasonable payments for
7 technical and other assistance to a person re-
8 sponsible for the development of a model of
9 reading instruction, or a person with experience
10 or expertise about such model and its imple-
11 mentation, who has agreed to work with the re-
12 cipient in connection with the implementation of
13 the model.

14 “(B) Carrying out a contractual agreement
15 described in subsection (d).

16 “(C) Professional development (including
17 training of volunteers), purchase of curricular
18 and other supporting materials, and technical
19 assistance.

20 “(D) Providing, on a voluntary basis,
21 training to parents of children enrolled in a
22 school selected under subsection (a)(2) on how
23 to help their children with school work, particu-
24 larly in the development of reading skills. Such
25 training may be provided directly by the

1 subgrant recipient, or through a grant or con-
2 tract with another person. Such training shall
3 be consistent with reading reforms taking place
4 in the school setting.

5 “(E) Carrying out family literacy programs
6 based on the Even Start family literacy model
7 authorized under part B of title I to enable par-
8 ents to be their child’s first and most important
9 teacher, and making payments for the receipt of
10 technical assistance for the development of such
11 programs.

12 “(F) Providing instruction for parents of
13 children enrolled in a school selected under sub-
14 section (a)(2), and others who volunteer to be
15 reading tutors for such children, in the instruc-
16 tional practices based on reliable, replicable re-
17 search on reading used by the applicant.

18 “(G) Programs to assist those kinder-
19 garten students enrolled in a school selected
20 under subsection (a)(2) who are not ready for
21 the transition to 1st grade, particularly stu-
22 dents experiencing difficulty with reading skills.

23 “(H) Providing, for students who are en-
24 rolled in grades 1 through 3 in a school selected
25 under subsection (a)(2) and are experiencing

1 difficulty reading, additional support before
2 school, after school, on weekends, during non-
3 instructional periods of the school day, or dur-
4 ing the summer, using supervised individuals
5 (including tutors) who have been appropriately
6 trained using reliable, replicable research on
7 reading.

8 “(I) Carrying out the duties described in
9 section 15105(b)(2) for children enrolled in a
10 school selected under subsection (a)(2).

11 “(J) Providing reading assistance to chil-
12 dren who have not been determined to be a
13 child with a disability (as defined in section 602
14 of the Individuals with Disabilities Education
15 Act (20 U.S.C. 1401)), pursuant to section
16 614(b)(5) of such Act (20 U.S.C. 1414(b)(5)),
17 because of a lack of instruction in reading.

18 “(2) LIMITATION ON ADMINISTRATIVE EX-
19 PENSES.—A recipient of a subgrant under this sec-
20 tion may use not more than 3 percent of the
21 subgrant funds for administrative costs.

22 “(f) TRAINING NONRECIPIENTS.—A recipient of a
23 subgrant under this section may train, on a fee-for-service
24 basis, personnel who are from schools, or local educational
25 agencies, that are not receiving such a subgrant in the

1 instructional practices based on reliable, replicable re-
 2 search on reading used by the recipient. Such a non-recipi-
 3 ent school may use funds received under title I, and other
 4 appropriate Federal funds used for reading instruction, to
 5 pay for such training, to the extent consistent with the
 6 law under which such funds were received.

7 **“SEC. 15105. TUTORIAL ASSISTANCE SUBGRANTS.**

8 “(a) IN GENERAL.—

9 “(1) SUBGRANTS.—A reading and literacy part-
 10 nership that receives a grant under section 15103
 11 shall make subgrants on a competitive basis to—

12 “(A) local educational agencies that have
 13 at least 1 school in the geographic area served
 14 by the agency that—

15 “(i) is located in an area designated
 16 as an empowerment zone under part I of
 17 subchapter U of chapter 1 of the Internal
 18 Revenue Code of 1986; or

19 “(ii) is located in an area designated
 20 as an enterprise community under part I
 21 of subchapter U of chapter 1 of the Inter-
 22 nal Revenue Code of 1986; or

23 “(B) in the case of local educational agen-
 24 cies that do not have any such empowerment
 25 zone or enterprise community in the State in

1 which the agency is located, local educational
2 agencies that have at least 1 school that is iden-
3 tified for school improvement under section
4 1116(c) in the geographic area served by the
5 agency.

6 “(2) APPLICATIONS.—A local educational agen-
7 cy that desires to receive a subgrant under this sec-
8 tion shall submit an application to the reading and
9 literacy partnership at such time, in such manner,
10 and including such information as the partnership
11 may require. The application shall include an assur-
12 ance that the agency will use the subgrant funds to
13 carry out the duties described in subsection (b) for
14 children enrolled in 1 or more schools selected by the
15 agency and described in paragraph (1).

16 “(b) USE OF FUNDS.—

17 “(1) IN GENERAL.—A local educational agency
18 that receives a subgrant under this section shall
19 carry out, using the funds provided under the
20 subgrant, each of the duties described in paragraph
21 (2).

22 “(2) DUTIES.—The duties described in this
23 paragraph are the provision of tutorial assistance in
24 reading to children who have difficulty reading,

1 using instructional practices based on the principles
 2 of reliable, replicable research, through the following:

3 “(A) The promulgation of a set of objective
 4 criteria, pertaining to the ability of a tutorial
 5 assistance provider successfully to provide tuto-
 6 rial assistance in reading, that will be used to
 7 determine in a uniform manner, at the begin-
 8 ning of each school year, the eligibility of tuto-
 9 rial assistance providers, subject to the succeed-
 10 ing subparagraphs of this paragraph, to be in-
 11 cluded on the list described in subparagraph
 12 (B) (and thereby be eligible to enter into a con-
 13 tract pursuant to subparagraph (F)).

14 “(B) The promulgation, maintenance, and
 15 approval of a list of tutorial assistance provid-
 16 ers eligible to enter into a contract pursuant to
 17 subparagraph (F) who—

18 “(i) have established a record of effec-
 19 tiveness with respect to reading readiness,
 20 reading instruction for children in kinder-
 21 garten through 3d grade, and early child-
 22 hood literacy;

23 “(ii) are located in a geographic area
 24 convenient to the school or schools at-
 25 tended by the children who will be receiv-

1 ing tutorial assistance from the providers;
2 and

3 “(iii) are capable of providing tutoring
4 in reading to children who have difficulty
5 reading, using instructional practices based
6 on the principles of reliable, replicable re-
7 search and consistent with the instruc-
8 tional methods used by the school the child
9 attends.

10 “(C) The development of procedures (i) for
11 the receipt of applications for tutorial assist-
12 ance, from parents who are seeking such assist-
13 ance for their child or children, that select a tu-
14 torial assistance provider from the list described
15 in subparagraph (B) with whom the child or
16 children will enroll, for tutoring in reading; and
17 (ii) for considering children for tutorial assist-
18 ance who are identified under subparagraph
19 (D) and for whom no application has been sub-
20 mitted, provided that such procedures are in ac-
21 cordance with this paragraph and give such
22 parents the right to select a tutorial assistance
23 provider from the list referred to in subpara-
24 graph (B), and shall permit a local educational
25 agency to recommend a tutorial assistance pro-

1 vider from the list under subparagraph (B) in
2 a case where a parent asks for assistance in the
3 making of such selection.

4 “(D) The development of a selection proc-
5 ess for providing tutorial assistance in accord-
6 ance with this paragraph that limits the provi-
7 sion of assistance to children identified, by the
8 school the child attends, as having difficulty
9 reading, including difficulty mastering essential
10 phonic, decoding, or vocabulary skills. In the
11 case of a child included in the selection process
12 for whom no application has been submitted by
13 a parent of the child, the child’s eligibility for
14 receipt of tutorial assistance shall be deter-
15 mined under the same procedures, timeframe,
16 and criteria for consideration as is used to de-
17 termine the eligibility of a child whose parent
18 has submitted such an application. Such local
19 educational agency shall apply the provisions of
20 subparagraphs (F) and (G) to a tutorial assist-
21 ance provider selected for a child whose parent
22 has not submitted an application pursuant to
23 subparagraph (C)(i) in the same manner as the
24 provisions are applied to a provider selected in

1 an application submitted pursuant to subpara-
2 graph (C)(i).

3 “(E) The development of procedures for
4 selecting children to receive tutorial assistance,
5 to be used in cases where insufficient funds are
6 available to provide assistance with respect to
7 all children identified by a school under sub-
8 paragraph (D) that—

9 “(i) gives priority to children who are
10 determined, through State or local reading
11 assessments, to be most in need of tutorial
12 assistance; and

13 “(ii) gives priority, in cases where
14 children are determined, through State or
15 local reading assessments, to be equally in
16 need of tutorial assistance, based on a ran-
17 dom selection principle.

18 “(F) The development of a methodology by
19 which payments are made directly to tutorial
20 assistance providers who are identified and se-
21 lected pursuant to subparagraphs (C), (D), and
22 (E). Such methodology shall include the making
23 of a contract, consistent with State and local
24 law, between the tutorial assistance provider

1 and the local educational agency carrying out
2 this paragraph. Such contract—

3 “(i) shall contain specific goals and
4 timetables with respect to the performance
5 of the tutorial assistance provider;

6 “(ii) shall require the tutorial assist-
7 ance provider to report to the parent and
8 the local educational agency on the provid-
9 er’s performance in meeting such goals and
10 timetables; and

11 “(iii) shall contain provisions with re-
12 spect to the making of payments to the tu-
13 torial assistance provider by the local edu-
14 cational agency.

15 “(G) The development of procedures under
16 which the local educational agency carrying out
17 this paragraph—

18 “(i) will ensure oversight of the qual-
19 ity and effectiveness of the tutorial assist-
20 ance provided by each tutorial assistance
21 provider that is selected for funding;

22 “(ii) will remove from the list under
23 subparagraph (B) ineffective and unsuc-
24 cessful providers (as determined by the
25 local educational agency based upon the

performance of the provider with respect to the goals and timetables contained in the contract between the agency and the provider under subparagraph (F));

“(iii) will provide to each parent of a child identified under subparagraph (D) who requests such information for the purpose of selecting a tutorial assistance provider for the child, in a comprehensible format, information with respect to the quality and effectiveness of the tutorial assistance referred to in clause (i); and

“(iv) will ensure that each school identifying a child under subparagraph (D) will provide upon request, to a parent of the child, assistance in selecting, from among the tutorial assistance providers who are included on the list described in subparagraph (B), the provider who is best able to meet the needs of the child.

“(c) DEFINITION.—For the purpose of this section the term ‘parent’ includes a legal guardian.

“SEC. 15106. PROGRAM EVALUATION.

“(a) IN GENERAL.—From funds reserved under section 15110(b)(1), the Secretary shall conduct a national

1 assessment of the programs under this title. In developing
 2 the criteria for the assessment, the Secretary shall receive
 3 recommendations from the peer review panel convened
 4 under section 15103(f).

5 “(b) SUBMISSION TO PEER REVIEW PANEL.—The
 6 Secretary shall submit the findings from the assessment
 7 under subsection (a) to the peer review panel convened
 8 under section 15103(f).

9 **“SEC. 15107. INFORMATION DISSEMINATION.**

10 “(a) IN GENERAL.—From funds reserved under sec-
 11 tion 15110(b)(2), the National Institute for Literacy shall
 12 disseminate information on reliable, replicable research on
 13 reading and information on subgrantee projects under sec-
 14 tion 15104 or 15105 that have proven effective. At a mini-
 15 mum, the institute shall disseminate such information to
 16 all recipients of Federal financial assistance under titles
 17 I and VII, the Head Start Act (42 U.S.C. 9801 et seq.),
 18 the Individuals with Disabilities Education Act (20 U.S.C.
 19 1400 et seq.), and the Adult Education Act (20 U.S.C.
 20 1201 et seq.).

21 “(b) COORDINATION.—In carrying out this section,
 22 the National Institute for Literacy—

23 “(1) shall use, to the extent practicable, infor-
 24 mation networks developed and maintained through
 25 other public and private persons, including the Sec-

1 retary, the National Center for Family Literacy, and
2 the Readline Program;

3 “(2) shall work in conjunction with any panel
4 convened by the National Institute of Child Health
5 and Human Development and the Secretary, and
6 any panel convened by the Office of Educational Re-
7 search and Improvement to assess the current status
8 of research-based knowledge on reading develop-
9 ment, including the effectiveness of various ap-
10 proaches to teaching children to read, with respect
11 to determining the criteria by which the National In-
12 stitute for Literacy judges reliable, replicable re-
13 search and the design of strategies to disseminate
14 such information; and

15 “(3) shall assist any reading and literacy part-
16 nership selected to receive a grant under section
17 15103, and that requests such assistance—

18 “(A) in determining whether applications
19 for subgrants submitted to the partnership
20 meet the requirements of this title relating to
21 reliable, replicable research on reading; and

22 “(B) in the development of subgrant appli-
23 cation forms.

1 **“SEC. 15108. STATE EVALUATIONS.**

2 “(a) IN GENERAL.—Each reading and literacy part-
3 nership that receives a grant under this title shall reserve
4 not more than 2 percent of such grant funds for the pur-
5 pose of evaluating the success of the partnership’s sub-
6 grantees in meeting the purposes of this title. At a mini-
7 mum, the evaluation shall measure the extent to which
8 students who are the intended beneficiaries of the sub-
9 grants made by the partnership have improved their read-
10 ing.

11 “(b) CONTRACT.—A reading and literacy partnership
12 shall carry out the evaluation under this section by enter-
13 ing into a contract with an eligible research institution
14 under which the institution will perform the evaluation.

15 “(c) SUBMISSION.—A reading and literacy partner-
16 ship shall submit the findings from the evaluation under
17 this section to the Secretary and the peer review panel
18 convened under section 15103(f). The Secretary and the
19 peer review panel shall submit a summary of the findings
20 from the evaluations under this subsection to the appro-
21 priate committees of the Congress, including the Edu-
22 cation and the Workforce Committee of the House of Rep-
23 resentatives.

1 **“SEC. 15109. PARTICIPATION OF CHILDREN ENROLLED IN**
 2 **PRIVATE SCHOOLS.**

3 “Each reading and literacy partnership that receives
 4 funds under this title shall provide for, or ensure that sub-
 5 grantees provide for, the participation of children in pri-
 6 vate schools in the activities and services assisted under
 7 this title in the same manner as the children participate
 8 in activities and services pursuant to sections 14503,
 9 14504, 14505, and 14506.

10 **“SEC. 15110. AUTHORIZATION OF APPROPRIATIONS; RES-**
 11 **ERVATIONS FROM APPROPRIATIONS; SUN-**
 12 **SET.**

13 “(a) AUTHORIZATION.—There are authorized to be
 14 appropriated to carry out this title \$260,000,000 for fiscal
 15 years 1999, 2000, and 2001.

16 “(b) RESERVATIONS.—From the amount appro-
 17 priated under subsection (a) for each fiscal year, the Sec-
 18 retary—

19 “(1) shall reserve 1.5 percent to carry out sec-
 20 tion 15106(a);

21 “(2) shall reserve \$5,075,000 to carry out sec-
 22 tions 15103(f)(2) and 15107, of which \$5,000,000
 23 shall be reserved for section 15107; and

24 “(3) shall reserve \$10,000,000 to carry out sec-
 25 tion 1202(c).

1 “(c) SUNSET.—Notwithstanding section 422(a) of
 2 the General Education Provisions Act (20 U.S.C.
 3 1226a(a)), this title is repealed, effective September 30,
 4 2001, and is not subject to extension under such section.”.

5 **Subtitle B—Amendments to Even** 6 **Start Family Literacy Programs**

7 **SEC. 521. RESERVATION FOR GRANTS.**

8 Section 1202(c) of the Elementary and Secondary
 9 Education Act of 1965 (20 U.S.C. 6362(c)) is amended
 10 to read as follows:

11 “(c) RESERVATION FOR GRANTS.—

12 “(1) GRANTS AUTHORIZED.—From funds re-
 13 served under section 15109(b)(3), the Secretary
 14 shall award grants, on a competitive basis, to States
 15 to enable such States to plan and implement, state-
 16 wide family literacy initiatives to coordinate and in-
 17 tegrate existing Federal, State, and local literacy re-
 18 sources consistent with the purposes of this part.
 19 Such coordination and integration shall include co-
 20 ordination and integration of funds available under
 21 the Adult Education Act (20 U.S.C. 1201 et seq.),
 22 Head Start (42 U.S.C. 9801 et seq.), this part, part
 23 A of this title, and part A of title IV of the Social
 24 Security Act.

25 “(2) CONSORTIA.—

1 “(A) ESTABLISHMENT.—To receive a
2 grant under this subsection, a State shall estab-
3 lish a consortium of State-level programs under
4 the following laws:

5 “(i) This title.

6 “(ii) The Head Start Act.

7 “(iii) The Adult Education Act.

8 “(iv) All other State-funded preschool
9 programs and programs providing literacy
10 services to adults.

11 “(B) PLAN.—To receive a grant under this
12 subsection, the consortium established by a
13 State shall create a plan to use a portion of the
14 State’s resources, derived from the programs
15 referred to in subparagraph (A), to strengthen
16 and expand family literacy services in such
17 State.

18 “(C) COORDINATION WITH TITLE XV.—
19 The consortium shall coordinate its activities
20 with the activities of the reading and literacy
21 partnership for the State established under sec-
22 tion 15103, if the State receives a grant under
23 such section.

24 “(3) READING INSTRUCTION.—Statewide family
25 literacy initiatives implemented under this subsection

1 shall base reading instruction on reliable, replicable
 2 research on reading (as such terms are defined in
 3 section 15102).

4 “(4) TECHNICAL ASSISTANCE.—The Secretary
 5 shall provide, directly or through a grant or contract
 6 with an organization with experience in the develop-
 7 ment and operation of successful family literacy
 8 services, technical assistance to States receiving a
 9 grant under this subsection.

10 “(5) MATCHING REQUIREMENT.—The Sec-
 11 retary shall not make a grant to a State under this
 12 subsection unless the State agrees that, with respect
 13 to the costs to be incurred by the eligible consortium
 14 in carrying out the activities for which the grant was
 15 awarded, the State will make available non-Federal
 16 contributions in an amount equal to not less than
 17 the Federal funds provided under the grant.”.

18 **SEC. 522. DEFINITIONS.**

19 Section 1202(e) of the Elementary and Secondary
 20 Education Act of 1965 (20 U.S.C. 6362(e)) is amended—

21 (1) by redesignating paragraphs (3) and (4) as
 22 paragraphs (4) and (5), respectively; and

23 (2) by inserting after paragraph (2) the follow-
 24 ing:

1 “(3) the term ‘family literacy services’ means
 2 services provided to participants on a voluntary basis
 3 that are of sufficient intensity in terms of hours,
 4 and of sufficient duration, to make sustainable
 5 changes in a family (such as eliminating or reducing
 6 welfare dependency) and that integrate all of the fol-
 7 lowing activities:

8 “(A) Interactive literacy activities between
 9 parents and their children.

10 “(B) Equipping parents to partner with
 11 their children in learning.

12 “(C) Parent literacy training, including
 13 training that contributes to economic self-suffi-
 14 ciency.

15 “(D) Appropriate instruction for children
 16 of parents receiving parent literacy services.”.

17 **SEC. 523. EVALUATION.**

18 Section 1209 of the Elementary and Secondary Edu-
 19 cation Act of 1965 (20 U.S.C. 6369) is amended—

20 (1) in paragraph (1), by striking “and” at the
 21 end;

22 (2) in paragraph (2), by striking the period at
 23 the end and inserting “; and”; and

24 (3) by adding at the end the following:

1 “(3) to provide States and eligible entities re-
 2 ceiving a subgrant under this part, directly or
 3 through a grant or contract with an organization
 4 with experience in the development and operation of
 5 successful family literacy services, technical assist-
 6 ance to ensure local evaluations undertaken under
 7 section 1205(10) provide accurate information on
 8 the effectiveness of programs assisted under this
 9 part.”.

10 **SEC. 524. INDICATORS OF PROGRAM QUALITY.**

11 (a) IN GENERAL.—The Elementary and Secondary
 12 Education Act of 1965 (20 U.S.C. 6301 et seq.) is amend-
 13 ed—

14 (1) by redesignating section 1210 as section
 15 1212; and

16 (2) by inserting after section 1209 the follow-
 17 ing:

18 **“SEC. 1210. INDICATORS OF PROGRAM QUALITY.**

19 “Each State receiving funds under this part shall de-
 20 velop, based on the best available research and evaluation
 21 data, indicators of program quality for programs assisted
 22 under this part. Such indicators shall be used to monitor,
 23 evaluate, and improve such programs within the State.
 24 Such indicators shall include the following:

1 “(1) With respect to eligible participants in a
2 program who are adults—

3 “(A) achievement in the areas of reading,
4 writing, English language acquisition, problem
5 solving, and numeracy;

6 “(B) receipt of a secondary school diploma
7 or its recognized equivalent;

8 “(C) entry into a postsecondary school, a
9 job retraining program, or employment or ca-
10 reer advancement, including the military; and

11 “(D) such other indicators as the State
12 may develop.

13 “(2) With respect to eligible participants in a
14 program who are children—

15 “(A) improvement in ability to read on
16 grade level or reading readiness;

17 “(B) school attendance;

18 “(C) grade retention and promotion; and

19 “(D) such other indicators as the State
20 may develop.”.

21 (b) STATE LEVEL ACTIVITIES.—Section 1203(a) of
22 the Elementary and Secondary Education Act of 1965 (20
23 U.S.C. 6363(a)) is amended—

24 (1) in paragraph (1), by striking “and” at the
25 end;

1 (2) in paragraph (2), by striking the period at
2 the end and inserting “; and”; and

3 (3) by adding at the end the following:

4 “(3) carrying out section 1210.”.

5 (c) AWARD OF SUBGRANTS.—Paragraphs (3) and (4)
6 of section 1208(b) of the Elementary and Secondary Edu-
7 cation Act of 1965 (20 U.S.C. 6368) are amended to read
8 as follows:

9 “(3) CONTINUING ELIGIBILITY.—In awarding
10 subgrant funds to continue a program under this
11 part for the second, third, or fourth year, the State
12 educational agency shall evaluate the program based
13 on the indicators of program quality developed by
14 the State under section 1210. Such evaluation shall
15 take place after the conclusion of the startup period,
16 if any.

17 “(4) INSUFFICIENT PROGRESS.—The State
18 educational agency may refuse to award subgrant
19 funds if such agency finds that the eligible entity
20 has not sufficiently improved the performance of the
21 program, as evaluated based on the indicators of
22 program quality developed by the State under sec-
23 tion 1210, after—

24 “(A) providing technical assistance to the
25 eligible entity; and

1 “(B) affording the eligible entity notice
2 and an opportunity for a hearing.”.

3 **SEC. 525. RESEARCH.**

4 The Elementary and Secondary Education Act of
5 1965 (20 U.S.C. 6301 et seq.), as amended by section 524
6 of this Act, is further amended by inserting after section
7 1210 the following:

8 **“SEC. 1211. RESEARCH.**

9 “(a) IN GENERAL.—The Secretary shall carry out,
10 through grant or contract, research into the components
11 of successful family literacy services. The purpose of the
12 research shall be—

13 “(1) to improve the quality of existing pro-
14 grams assisted under this part or other family lit-
15 eracy programs carried out under this Act or the
16 Adult Education Act (20 U.S.C. 1201 et seq.); and

17 “(2) to develop models for new programs to be
18 carried out under this Act or the Adult Education
19 Act.

20 “(b) DISSEMINATION.—The National Institute for
21 Literacy shall disseminate, pursuant to section 15107, the
22 results of the research described in subsection (a) to
23 States and recipients of subgrants under this part.”.

TITLE VI—TEACHER AND STUDENT SAFETY

SEC. 601. FINDINGS.

Congress finds that—

(1) the continued presence in schools of violent students who are a threat to both teachers and other students is incompatible with a safe learning environment;

(2) unsafe school environments place students who are already at risk of school failure for other reasons in further jeopardy;

(3) recently, over one-fourth of high school students surveyed reported being threatened at school;

(4) 2,000,000 more children are using drugs in 1997 than were doing so a few short years prior to 1997;

(5) nearly 1 out of every 20 students in 6th through 12th grade uses drugs on school grounds;

(6) more of our children are becoming involved with hard drugs at earlier ages, as use of heroin and cocaine by 8th graders has more than doubled since 1991; and

(7) greater cooperation between schools, parents, law enforcement, the courts, and the commu-

1 nity is essential to making our schools safe from
2 drugs and violence.

3 **SEC. 602. PURPOSE.**

4 It is the purpose of this title—

5 (1) to urge States, State educational agencies,
6 and local educational agencies to provide comprehen-
7 sive services to victims of and witnesses to school vi-
8 olence;

9 (2) to urge States, State educational agencies,
10 and local educational agencies to remove violent and
11 drug selling student offenders from school premises;

12 (3) to urge States, State educational agencies,
13 and local educational agencies to report violent
14 crimes and drug dealing on school grounds to appro-
15 priate law enforcement authorities;

16 (4) to provide incentive grants for States, State
17 educational agencies, and local educational agencies
18 to involve parents and community volunteers in ef-
19 forts to improve school safety; and

20 (5) to provide incentive grants to States, State
21 educational agencies, and local educational agencies
22 to develop innovative programs to improve the safety
23 of our Nation's schools and to better serve at-risk
24 students.

1 **Subtitle A—Student Safety and**
2 **Family Choice**

3 **SEC. 611. STUDENT SAFETY AND FAMILY SCHOOL CHOICE.**

4 Subpart 1 of part A of title I of the Elementary and
5 Secondary Education Act of 1965 (20 U.S.C. 6311 et
6 seq.) is amended by inserting after section 1115A of such
7 Act (20 U.S.C. 6316) the following:

8 **“SEC. 1115B. STUDENT SAFETY AND FAMILY SCHOOL**
9 **CHOICE.**

10 “(a) IN GENERAL.—Notwithstanding any other pro-
11 vision of law, if a student is eligible to be served under
12 section 1115(b), or attends a school eligible for a
13 schoolwide program under section 1114, and becomes a
14 victim of a violent criminal offense while in or on the
15 grounds of a public elementary school or secondary school
16 that the student attends and that receives assistance
17 under this part, then the local educational agency may use
18 funds provided under this part or under any other Federal
19 education program to pay the supplementary costs for
20 such student to attend another school. The agency may
21 use the funds to pay for the supplementary costs of such
22 student to attend any other public or private elementary
23 school or secondary school, including a religious school,
24 in the same State as the school where the criminal offense
25 occurred, that is selected by the student’s parent. The

1 State educational agency shall determine what actions
2 constitute a violent criminal offense for purposes of this
3 section.

4 “(b) SUPPLEMENTARY COSTS.—The supplementary
5 costs referred to in subsection (a) shall not exceed—

6 “(1) in the case of a student for whom funds
7 under this section are used to enable the student to
8 attend a public elementary school or secondary
9 school served by a local educational agency that also
10 serves the school where the violent criminal offense
11 occurred, the costs of supplementary educational
12 services and activities described in section 1114(b)
13 or 1115(c) that are provided to the student;

14 “(2) in the case of a student for whom funds
15 under this section are used to enable the student to
16 attend a public elementary school or secondary
17 school served by a local educational agency that does
18 not serve the school where the violent criminal of-
19 fense occurred but is located in the same State—

20 “(A) the costs of supplementary edu-
21 cational services and activities described in sec-
22 tion 1114(b) or 1115(c) that are provided to
23 the student; and

1 “(B) the reasonable costs of transportation
2 for the student to attend the school selected by
3 the student’s parent; and

4 “(3) in the case of a student for whom funds
5 under this section are used to enable the student to
6 attend a private elementary school or secondary
7 school, including a religious school, the costs of tui-
8 tion, required fees, and the reasonable costs of such
9 transportation.

10 “(c) CONSTRUCTION.—Nothing in this Act or any
11 other Federal law shall be construed to prevent a parent
12 assisted under this section from selecting the public or pri-
13 vate, including religious, elementary school or secondary
14 school that a child of the parent will attend within the
15 State.

16 “(d) CONSIDERATION OF ASSISTANCE.—Subject to
17 subsection (h), assistance made available under this sec-
18 tion that is used to pay the costs for a student to attend
19 a private or religious school shall not be considered to be
20 Federal aid to the school, and the Federal Government
21 shall have no authority to influence or regulate the oper-
22 ations of a private or religious school as a result of assist-
23 ance received under this section.

24 “(e) CONTINUING ELIGIBILITY.—A student assisted
25 under this section shall remain eligible to continue receiv-

1 ing assistance under this section for at least 3 academic
 2 years without regard to whether the student is eligible for
 3 assistance under section 1114 or 1115(b).

4 “(f) TUITION CHARGES.—Assistance under this sec-
 5 tion may not be used to pay tuition or required fees at
 6 a private elementary school or secondary school in an
 7 amount that is greater than the tuition and required fees
 8 paid by students not assisted under this section at such
 9 school.

10 “(g) SPECIAL RULE.—Any school receiving assist-
 11 ance provided under this section shall comply with title
 12 VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et
 13 seq.) and not discriminate on the basis of race, color, or
 14 national origin.

15 “(h) ASSISTANCE; TAXES AND OTHER FEDERAL
 16 PROGRAMS.—

17 “(1) ASSISTANCE TO FAMILIES, NOT
 18 SCHOOLS.—Assistance provided under this section
 19 shall be considered to be aid to families, not schools.
 20 Use of such assistance at a school shall not be con-
 21 strued to be Federal financial aid or assistance to
 22 that school.

23 “(2) TAXES AND DETERMINATIONS OF ELIGI-
 24 BILITY FOR OTHER FEDERAL PROGRAMS.—Assist-
 25 ance provided under this section to a student shall

1 not be considered to be income of the student or
 2 the parent of such student for Federal, State, or
 3 local tax purposes or for determining eligibility for
 4 any other Federal program.

5 “(i) PART B OF THE INDIVIDUALS WITH DISABIL-
 6 ITIES EDUCATION ACT.—Nothing in this section shall be
 7 construed to affect the requirements of part B of the Indi-
 8 viduals with Disabilities Education Act (20 U.S.C. 1411
 9 et seq.).

10 “(j) MAXIMUM AMOUNT.—Notwithstanding any
 11 other provision of this section, the amount of assistance
 12 provided under this part for a student shall not exceed
 13 the per pupil expenditure for elementary or secondary edu-
 14 cation, as appropriate, by the local educational agency
 15 that serves the school where the criminal offense occurred
 16 for the fiscal year preceding the fiscal year for which the
 17 determination is made.”.

18 **SEC. 612. TRANSFER OF REVENUES.**

19 (a) IN GENERAL.—Notwithstanding any other provi-
 20 sion of Federal law, a State, a State educational agency,
 21 or a local educational agency may transfer any non-Fed-
 22 eral public funds associated with the education of a stu-
 23 dent who is a victim of a violent criminal offense while
 24 in or on the grounds of a public elementary school or sec-
 25 ondary school served by a local educational agency to an-

1 other local educational agency or to a private elementary
 2 school or secondary school, including a religious school.

3 (b) DEFINITIONS.—For the purpose of subsection
 4 (a), the terms “elementary school”, “secondary school”,
 5 “local educational agency”, and “State educational agen-
 6 cy” have the meanings given such terms in section 14101
 7 of the Elementary and Secondary Education Act of 1965
 8 (20 U.S.C. 8801).

9 **Subtitle B—Victim and Witness As-**
 10 **sistance Programs for Teachers**
 11 **and Students**

12 **SEC. 621. AMENDMENTS TO VICTIMS OF CRIME ACT OF**
 13 **1984.**

14 (a) VICTIM COMPENSATION.—Section 1403 of the
 15 Victims of Crime Act of 1984 (42 U.S.C. 10602) is
 16 amended by adding at the end the following:

17 “(f) VICTIMS OF SCHOOL VIOLENCE.—Notwithstand-
 18 ing any other provision of law, an eligible crime victim
 19 compensation program may expend funds granted under
 20 this section to offer compensation to elementary and sec-
 21 ondary school students or teachers who are victims of ele-
 22 mentary and secondary school violence (as school violence
 23 is defined under applicable State law).”.

1 (b) VICTIM AND WITNESS ASSISTANCE.—Section
 2 1404(c) of the Victims of Crime Act of 1984 (42 U.S.C.
 3 10603(c)) is amended by adding at the end the following:

4 “(5) ASSISTANCE FOR VICTIMS OF AND WIT-
 5 NESSES TO SCHOOL VIOLENCE.—Notwithstanding
 6 any other provision of law, the Director may make
 7 a grant under this section for a demonstration
 8 project or for training and technical assistance serv-
 9 ices to a program that—

10 “(A) assists State educational agencies and
 11 local educational agencies (as the terms are de-
 12 fined in section 14101 of the Elementary and
 13 Secondary Education Act of 1965 (20 U.S.C.
 14 8801)) in developing, establishing, and operat-
 15 ing programs that are designed to protect vic-
 16 tims of and witnesses to incidents of elementary
 17 and secondary school violence (as school vio-
 18 lence is defined under applicable State law), in-
 19 cluding programs designed to protect witnesses
 20 testifying in school disciplinary proceedings; or

21 “(B) supports a student safety toll-free
 22 hotline that provides students and teachers in
 23 elementary and secondary schools with con-
 24 fidential assistance relating to the issues of

1 school crime, violence, drug dealing, and threats
 2 to personal safety.”.

3 **Subtitle C—Innovative Programs** 4 **To Protect Teachers and Students**

5 **SEC. 631. DEFINITIONS.**

6 In this subtitle:

7 (1) ELEMENTARY SCHOOL, LOCAL EDU-
 8 CATIONAL AGENCY, SECONDARY SCHOOL, AND STATE
 9 EDUCATIONAL AGENCY.—The terms “elementary
 10 school”, “local educational agency”, “secondary
 11 school”, and “State educational agency” have the
 12 meanings given the terms in section 14101 of the
 13 Elementary and Secondary Education Act of 1965
 14 (20 U.S.C. 8801).

15 (2) SECRETARY.—The term “Secretary” means
 16 the Secretary of Education.

17 **SEC. 632. AUTHORIZATION OF APPROPRIATIONS.**

18 There is authorized to be appropriated such sums as
 19 may be necessary to carry out this subtitle.

20 **SEC. 633. AUTHORIZATION FOR REPORT CARDS ON** 21 **SCHOOLS.**

22 (a) IN GENERAL.—The Secretary is authorized to
 23 award grants to States, State educational agencies, and
 24 local educational agencies to develop, establish, or conduct

1 innovative programs to improve unsafe elementary schools
2 or secondary schools.

3 (b) PRIORITY.—The Secretary shall give priority to
4 awarding grants under subsection (a) to—

5 (1) programs that provide parent and teacher
6 notification about incidents of physical violence,
7 weapon possession, or drug activity on school
8 grounds as soon after the incident as practicable;

9 (2) programs that provide to parents and teach-
10 ers an annual report regarding—

11 (A) the total number of incidents of phys-
12 ical violence, weapon possession, and drug activ-
13 ity on school grounds;

14 (B) the percentage of students missing 10
15 or fewer days of school; and

16 (C) a comparison, if available, to previous
17 annual reports under this paragraph, which
18 comparison shall not involve a comparison of
19 more than 5 such previous annual reports; and

20 (3) programs to enhance school security meas-
21 ures that may include—

22 (A) equipping schools with fences, closed
23 circuit cameras, and other physical security
24 measures;

1 (B) providing increased police patrols in
2 and around elementary schools and secondary
3 schools, including canine patrols; and

4 (C) mailings to parents at the beginning of
5 the school year stating that the possession of a
6 gun or other weapon, or the sale of drugs in
7 school, will not be tolerated by school authori-
8 ties.

9 **SEC. 634. APPLICATION.**

10 (a) IN GENERAL.—Each State, State educational
11 agency, or local educational agency desiring a grant under
12 this subtitle shall submit an application to the Secretary
13 at such time, in such manner, and accompanied by such
14 information as the Secretary may require.

15 (b) CONTENTS.—Each application submitted under
16 subsection (a) shall contain an assurance that the State
17 or agency has implemented or will implement policies
18 that—

19 (1) provide protections for victims and wit-
20 nesses to school crime, including protections for at-
21 tendance at school disciplinary proceedings;

22 (2) expel students who, on school grounds, sell
23 drugs, or who commit a violent offense that causes
24 serious bodily injury of another student or teacher;
25 and

1 (3) require referral to law enforcement authori-
 2 ties or juvenile authorities of any student who on
 3 school grounds—

4 (A) commits a violent offense resulting in
 5 serious bodily injury; or

6 (B) sells drugs.

7 (c) SPECIAL RULE.—For purposes of paragraphs (2)
 8 and (3) of subsection (b), State law shall determine what
 9 constitutes a violent offense or serious bodily injury.

10 **TITLE VII—CHARTER SCHOOL** 11 **EXPANSION**

12 **SEC. 701. SHORT TITLE.**

13 This title may be cited as the “Charter Schools Ex-
 14 pansion Act of 1998”.

15 **SEC. 702. CHARTER SCHOOLS.**

16 Part C of title X of the Elementary and Secondary
 17 Education Act of 1965 (20 U.S.C. 8061 et seq.) is amend-
 18 ed to read as follows:

19 **“PART C—PUBLIC CHARTER SCHOOLS**

20 **“SEC. 10301. FINDINGS AND PURPOSE.**

21 “(a) FINDINGS.—The Congress finds that—

22 “(1) enhancement of parent and student choices
 23 among public schools can assist in promoting com-
 24 prehensive educational reform and give more stu-
 25 dents the opportunity to learn to challenging State

1 content standards and challenging State student
2 performance standards, if sufficiently diverse and
3 high-quality choices, and genuine opportunities to
4 take advantage of such choices, are available to all
5 students;

6 “(2) useful examples of such choices can come
7 from States and communities that experiment with
8 methods of offering teachers and other educators,
9 parents, and other members of the public the oppor-
10 tunity to design and implement new public schools
11 and to transform existing public schools;

12 “(3) charter schools are a mechanism for test-
13 ing a variety of educational approaches and should,
14 therefore, be exempted from restrictive rules and
15 regulations if the leadership of such schools commits
16 to attaining specific and ambitious educational re-
17 sults for educationally disadvantaged students con-
18 sistent with challenging State content standards and
19 challenging State student performance standards for
20 all students;

21 “(4) charter schools, as such schools have been
22 implemented in a few States, can embody the nec-
23 essary mixture of enhanced choice, exemption from
24 restrictive regulations, and a focus on learning
25 gains;

1 “(5) charter schools, including charter schools
2 that are schools-within-schools, can help reduce
3 school size, which can have a significant effect on
4 student achievement;

5 “(6) the Federal Government should test, evalu-
6 ate, and disseminate information on a variety of
7 charter school models in order to help demonstrate
8 the benefits of this promising educational reform;
9 and

10 “(7) there is a strong documented need for
11 cash-flow assistance to charter schools that are
12 starting up, because State and local operating reve-
13 nue streams are not immediately available.

14 “(b) PURPOSES.—The purposes of this part are—

15 “(1) to provide financial assistance for the plan-
16 ning, design, and initial implementation of charter
17 schools;

18 “(2) to facilitate the ability of States and local-
19 ities to increase the number of charter schools in the
20 Nation to not less than 3,000 by the year 2000; and

21 “(3) to evaluate the effects of charter schools,
22 including the effects on students, student achieve-
23 ment, staff, and parents.

1 **“SEC. 10302. PROGRAM AUTHORIZED.**

2 “(a) IN GENERAL.—The Secretary may award grants
3 to State educational agencies having applications approved
4 pursuant to section 10303 to enable such agencies to con-
5 duct a charter school grant program in accordance with
6 this part.

7 “(b) SPECIAL RULE.—If a State educational agency
8 elects not to participate in the program authorized by this
9 part or does not have an application approved under sec-
10 tion 10303, the Secretary may award a grant to an eligible
11 applicant that serves such State and has an application
12 approved pursuant to section 10303.

13 “(c) PROGRAM PERIODS.—

14 “(1) GRANTS TO STATES.—Grants awarded to
15 State educational agencies under this part for plan-
16 ning, design, or initial implementation of charter
17 schools, shall be awarded for a period of not more
18 than 5 years.

19 “(2) GRANTS TO ELIGIBLE APPLICANTS.—
20 Grants awarded by the Secretary to eligible appli-
21 cants or subgrants awarded by State educational
22 agencies to eligible applicants under this part shall
23 be awarded for planning, design, or initial implemen-
24 tation of charter schools, for a period not to exceed
25 more than 5 years, of which the eligible applicant
26 may use—

1 “(A) not more than 30 months for plan-
2 ning and program design; and

3 “(B) not more than 4 years for the initial
4 implementation of a charter school.

5 “(3) TRANSITION RULES.—

6 “(A) EXISTING GRANTS.—The Secretary
7 may use funds appropriated under this part—

8 “(i) to continue to make payments to
9 a State educational agency or an eligible
10 applicant pursuant to a multiyear award
11 made under this part prior to the date of
12 enactment of the Charter Schools Expan-
13 sion Act of 1998 in accordance with this
14 part (as in effect on the day prior to such
15 date); and

16 “(ii) subject to subparagraph (B), to
17 make payments to the agency or applicant
18 under this part (as in effect on the day
19 after such date).

20 “(B) MAXIMUM PERIOD.—The total period
21 for which a State educational agency or an eli-
22 gible applicant may receive a payment described
23 in clause (i) or (ii) of subparagraph (A) shall
24 not exceed 5 years.

1 “(d) LIMITATION.—Except as otherwise provided
2 under subsection (c), the Secretary shall not award more
3 than 1 grant, and State educational agencies shall not
4 award more than 1 subgrant, under this part to support
5 a particular charter school.

6 “(e) PRIORITY AND REQUIREMENTS.—

7 “(1) PRIORITY.—

8 “(A) FISCAL YEARS 1998, 1999, AND 2000.—

9 In awarding grants under this part for any of
10 the fiscal years 1998, 1999, and 2000 from
11 funds appropriated under section 10310 that
12 are in excess of \$51,000,000 for the fiscal year,
13 the Secretary shall give priority to State edu-
14 cational agencies in accordance with subpara-
15 graph (C).

16 “(B) SUCCEEDING FISCAL YEARS.—In
17 awarding grants under this part for fiscal year
18 2001 or any succeeding fiscal year from any
19 funds appropriated under section 10310, the
20 Secretary shall consider the number of charter
21 schools in each State and shall give priority to
22 State educational agencies in accordance with
23 subparagraph (C).

24 “(C) PRIORITY ORDER.—In awarding
25 grants under subparagraphs (A) and (B), the

1 Secretary, in the order listed, shall give priority
2 to a State that—

3 “(i) meets all requirements of para-
4 graph (2);

5 “(ii) meets 2 requirements of para-
6 graph (2); and

7 “(iii) meets 1 requirement of para-
8 graph (2).

9 “(2) REQUIREMENTS.—The requirements re-
10 ferred to in paragraph (1)(C) are as follows:

11 “(A) The State law regarding charter
12 schools ensures that each charter school has a
13 high degree of autonomy over its budgets and
14 expenditures.

15 “(B) The State law regarding charter
16 schools provides that not less than 1 authorized
17 public chartering agency in the State allows for
18 an increase in the number of charter schools
19 from 1 year to the next year.

20 “(C) The State law regarding charter
21 schools provides for periodic review and evalua-
22 tion by the authorized public chartering agency
23 of each charter school to determine whether the
24 school is meeting or exceeding the academic
25 performance requirements and goals for charter

1 schools as set forth under State law or the
2 school's charter.

3 **“SEC. 10303. APPLICATIONS.**

4 “(a) APPLICATIONS FROM STATE AGENCIES.—Each
5 State educational agency desiring a grant from the Sec-
6 retary under this part shall submit to the Secretary an
7 application at such time, in such manner, and containing
8 or accompanied by such information as the Secretary may
9 require.

10 “(b) CONTENTS OF A STATE EDUCATIONAL AGENCY
11 APPLICATION.—Each application submitted pursuant to
12 subsection (a) shall—

13 “(1) describe the objectives of the State edu-
14 cational agency's charter school grant program and
15 a description of how such objectives will be fulfilled,
16 including steps taken by the State educational agen-
17 cy to inform teachers, parents, and communities of
18 the State educational agency's charter school grant
19 program;

20 “(2) describe how the State educational agency
21 will inform each charter school of available Federal
22 programs and funds that each such school is eligible
23 to receive and ensure that each such school receives
24 the school's appropriate share of Federal education
25 funds allocated by formula; and

1 “(3) contain assurances that the State edu-
2 cational agency will require each eligible applicant
3 desiring to receive a subgrant to submit an applica-
4 tion to the State educational agency containing—

5 “(A) a description of the educational pro-
6 gram to be implemented by the proposed char-
7 ter school, including—

8 “(i) how the program will enable all
9 students to meet challenging State student
10 performance standards;

11 “(ii) the grade levels or ages of chil-
12 dren to be served; and

13 “(iii) the curriculum and instructional
14 practices to be used;

15 “(B) a description of how the charter
16 school will be managed;

17 “(C) a description of—

18 “(i) the objectives of the charter
19 school; and

20 “(ii) the methods by which the charter
21 school will determine the school’s progress
22 toward achieving those objectives;

23 “(D) a description of the administrative re-
24 lationship between the charter school and the
25 authorized public chartering agency;

1 “(E) a description of how parents and
2 other members of the community will be in-
3 volved in the design and implementation of the
4 charter school;

5 “(F) a description of how the authorized
6 public chartering agency will provide for contin-
7 ued operation of the school once the Federal
8 grant has expired, if such agency determines
9 that the school has met the objectives described
10 in subparagraph (C)(i);

11 “(G) a request and justification for waivers
12 of any Federal statutory or regulatory provi-
13 sions that the applicant believes are necessary
14 for the successful operation of the charter
15 school, and a description of any State or local
16 rules, generally applicable to public schools,
17 that will be waived for, or otherwise not apply
18 to, the school;

19 “(H) a description of how the subgrant
20 funds or grant funds, as appropriate, will be
21 used, including a description of how such funds
22 will be used in conjunction with other Federal
23 programs administered by the Secretary;

24 “(I) a description of how students in the
25 community will be—

1 “(i) informed about the charter
2 school; and

3 “(ii) given an equal opportunity to at-
4 tend the charter school;

5 “(J) an assurance that the eligible appli-
6 cant will annually provide the Secretary and the
7 State educational agency such information as
8 may be required to determine if the charter
9 school is making satisfactory progress toward
10 achieving the objectives described in subpara-
11 graph (C)(i);

12 “(K) an assurance that the applicant will
13 cooperate with the Secretary and the State edu-
14 cational agency in evaluating the program as-
15 sisted under this part;

16 “(L) such other information and assur-
17 ances as the Secretary and the State edu-
18 cational agency may require; and

19 “(4) describe how the State educational agency
20 will disseminate best or promising practices of char-
21 ter schools in such State to each local educational
22 agency in the State.

23 “(c) CONTENTS OF ELIGIBLE APPLICANT APPLICA-
24 TION.—Each eligible applicant desiring a grant pursuant
25 to section 10302 shall submit an application to the State

1 educational agency or Secretary, respectively, at such
 2 time, in such manner, and accompanied by such informa-
 3 tion as the State educational agency or Secretary, respec-
 4 tively, may reasonably require.

5 “(d) CONTENTS OF APPLICATION.—Each application
 6 submitted pursuant to subsection (c) shall contain—

7 “(1) the information and assurances described
 8 in subparagraphs (A) through (L) of subsection
 9 (b)(3), except that for purposes of this subsection
 10 subparagraphs (J), (K), and (L) of such subsection
 11 shall be applied by striking ‘and the State edu-
 12 cational agency’ each place such term appears; and

13 “(2) assurances that the State educational
 14 agency—

15 “(A) will grant, or will obtain, waivers of
 16 State statutory or regulatory requirements; and

17 “(B) will assist each subgrantee in the
 18 State in receiving a waiver under section
 19 10304(e).

20 **“SEC. 10304. ADMINISTRATION.**

21 “(a) SELECTION CRITERIA FOR STATE EDU-
 22 CATIONAL AGENCIES.—The Secretary shall award grants
 23 to State educational agencies under this part on the basis
 24 of the quality of the applications submitted under section

1 10303(b), after taking into consideration such factors
2 as—

3 “(1) the contribution that the charter schools
4 grant program will make to assisting educationally
5 disadvantaged and other students to achieving State
6 content standards and State student performance
7 standards and, in general, a State’s education im-
8 provement plan;

9 “(2) the degree of flexibility afforded by the
10 State educational agency to charter schools under
11 the State’s charter schools law;

12 “(3) the ambitiousness of the objectives for the
13 State charter school grant program;

14 “(4) the quality of the strategy for assessing
15 achievement of those objectives;

16 “(5) the likelihood that the charter school grant
17 program will meet those objectives and improve edu-
18 cational results for students; and

19 “(6) the number of charter schools created
20 under this part in the State.

21 “(b) SELECTION CRITERIA FOR ELIGIBLE APPLI-
22 CANTS.—The Secretary shall award grants to eligible ap-
23 plicants under this part on the basis of the quality of the
24 applications submitted under section 10303(c), after tak-
25 ing into consideration such factors as—

1 “(1) the quality of the proposed curriculum and
2 instructional practices;

3 “(2) the degree of flexibility afforded by the
4 State educational agency and, if applicable, the local
5 educational agency to the charter school;

6 “(3) the extent of community support for the
7 application;

8 “(4) the ambitiousness of the objectives for the
9 charter school;

10 “(5) the quality of the strategy for assessing
11 achievement of those objectives; and

12 “(6) the likelihood that the charter school will
13 meet those objectives and improve educational re-
14 sults for students.

15 “(c) PEER REVIEW.—The Secretary, and each State
16 educational agency receiving a grant under this part, shall
17 use a peer review process to review applications for assist-
18 ance under this part.

19 “(d) DIVERSITY OF PROJECTS.—The Secretary and
20 each State educational agency receiving a grant under this
21 part, shall award subgrants under this part in a manner
22 that, to the extent possible, ensures that such grants and
23 subgrants—

1 “(1) are distributed throughout different areas
2 of the Nation and each State, including urban and
3 rural areas; and

4 “(2) will assist charter schools representing a
5 variety of educational approaches, such as ap-
6 proaches designed to reduce school size.

7 “(e) WAIVERS.—The Secretary may waive any statu-
8 tory or regulatory requirement over which the Secretary
9 exercises administrative authority except any such require-
10 ment relating to the elements of a charter school described
11 in section 10309(1), if—

12 “(1) the waiver is requested in an approved ap-
13 plication under this part; and

14 “(2) the Secretary determines that granting
15 such a waiver will promote the purpose of this part.

16 “(f) USE OF FUNDS.—

17 “(1) STATE EDUCATIONAL AGENCIES.—Each
18 State educational agency receiving a grant under
19 this part shall use such grant funds to award sub-
20 grants to 1 or more eligible applicants in the State
21 to enable such applicant to plan, design or initially
22 implement a charter school in accordance with this
23 part.

24 “(2) ELIGIBLE APPLICANTS.—Each eligible ap-
25 plicant receiving funds from the Secretary or a State

1 educational agency shall use such funds to plan, de-
2 sign or initially implement a charter school in ac-
3 cordance with this part.

4 “(3) ALLOWABLE ACTIVITIES FOR GRANTS.—
5 An eligible applicant receiving a grant or subgrant
6 under section 10302(c) may use the grant or
7 subgrant funds only for—

8 “(A) post-award planning or design of the
9 educational program, which may include—

10 “(i) refinement of the desired edu-
11 cational results and of the methods for
12 measuring progress toward achieving those
13 results; and

14 “(ii) professional development of
15 teachers and other staff who will work in
16 the charter school; and

17 “(B) initial implementation of the charter
18 school, which may include—

19 “(i) informing the community about
20 the school;

21 “(ii) acquiring necessary equipment
22 and educational materials and supplies;

23 “(iii) acquiring or developing curricu-
24 lum materials; and

1 “(iv) other initial operational costs
 2 that cannot be met from State or local
 3 sources.

4 “(4) ADMINISTRATIVE EXPENSES.—Each State
 5 educational agency receiving a grant pursuant to
 6 this part may reserve not more than 5 percent of
 7 such grant funds for administrative expenses associ-
 8 ated with the charter school grant program assisted
 9 under this part.

10 **“SEC. 10305. NATIONAL ACTIVITIES.**

11 “(a) RESERVATION FOR NATIONAL ACTIVITIES.—
 12 The Secretary shall reserve for each fiscal year the lesser
 13 of 5 percent of the amount appropriated to carry out this
 14 part for the fiscal year or \$5,000,000, to carry out the
 15 national activities described in subsection (c).

16 “(b) PRIORITY.—The Secretary shall give the highest
 17 priority to carrying out the national activity described in
 18 subsection (c)(2).

19 “(c) NATIONAL ACTIVITIES.—The national activities
 20 referred to in subsection (a) are as follows:

21 “(1) To provide charter schools, either directly
 22 or through the State educational agency, with infor-
 23 mation regarding available education funds that
 24 such school is eligible to receive, and assistance in
 25 applying for Federal education funds which are allo-

1 cated by formula, including filing deadlines and sub-
2 mission of applications.

3 “(2) To provide, through 1 or more contracts
4 using a competitive bidding process—

5 “(A) charter schools with assistance in ac-
6 cessing private capital;

7 “(B) pilot projects in a variety of States to
8 better understand and improve access to private
9 capital by charter schools; and

10 “(C) collection on a nationwide basis, of
11 information regarding successful programs that
12 access private capital for charter schools and
13 disseminate any such relevant information and
14 model descriptions to all charter schools.

15 “(3) To provide for the completion of the 4-year
16 national study (which began in 1995) of charter
17 schools and any related evaluations or studies.

18 “(4) To provide—

19 “(A) information to applicants for assist-
20 ance under this part;

21 “(B) assistance, to applicants for assist-
22 ance under this part, with the preparation of
23 applications under section 10303;

24 “(C) assistance in the planning and start-
25 up of charter schools;

1 “(D) ongoing training and technical assist-
2 ance to existing charter schools; and

3 “(E) for the dissemination of best prac-
4 tices in charter schools to other public schools.

5 **“SEC. 10306. PART A, TITLE I ALLOCATION DURING FIRST**
6 **YEAR AND FOR SUCCESSIVE ENROLLMENT**
7 **EXPANSIONS.**

8 “For purposes of the allocation to schools by the
9 States or their agencies of funds under part A of title I,
10 or of any other Federal educational assistance funds, the
11 Secretary and each State educational agency shall take
12 such measures not later than 6 months after the date of
13 the enactment of the Charter Schools Amendments of
14 1998 as are necessary to ensure that every charter school
15 receives the Federal funding for which the charter school
16 is eligible in the calendar year in which the charter school
17 first opens, notwithstanding the fact that the identity and
18 characteristics of the students enrolling in that school are
19 not fully and completely determined until that school actu-
20 ally opens. These measures shall similarly ensure that
21 every charter school expanding the charter school’s enroll-
22 ment in any subsequent year of operation receives the
23 Federal funding for which the charter school is eligible
24 during the calendar year of such expansion.

1 **“SEC. 10307. RECORDS TRANSFER.**

2 “State and local educational agencies, to the extent
3 practicable, shall ensure that a student’s records and if
4 applicable a student’s individualized education program as
5 defined in section 602(11) of the Individuals with Disabil-
6 ities Education Act (20 U.S.C. 1401(11)), are transferred
7 to the charter school upon transfer of a student to a char-
8 ter school in accordance with applicable State law.

9 **“SEC. 10308. PAPERWORK REDUCTION.**

10 “To the extent practicable, the Secretary and each
11 authorized public chartering agency, shall ensure that im-
12 plementation of this part results in a minimum of paper-
13 work for any eligible applicant or charter school.

14 **“SEC. 10309. DEFINITIONS.**

15 “In this part:

16 “(1) **AUTHORIZED PUBLIC CHARTERING AGEN-**
17 **CY.**—The term ‘authorized public chartering agency’
18 means a State educational agency, local educational
19 agency, or other public entity that has the authority
20 pursuant to State law and approved by the Sec-
21 retary to authorize or approve a charter school.

22 “(2) **CHARTER SCHOOL.**—The term ‘charter
23 school’ means a public school that—

24 “(A) in accordance with a specific State
25 charter school statute, is exempted from signifi-
26 cant State or local rules that inhibit the flexible

1 operation and management of public schools,
2 but not from any rules relating to the other re-
3 quirements of this paragraph;

4 “(B) is created by a developer as a public
5 school, or is adapted by a developer from an ex-
6 isting public school, and is operated under pub-
7 lic supervision and direction;

8 “(C) operates in pursuit of a specific set of
9 educational objectives determined by the
10 school’s developer and agreed to by the author-
11 ized public chartering agency;

12 “(D) provides a program of elementary or
13 secondary education, or both;

14 “(E) is nonsectarian in its programs, ad-
15 missions policies, employment practices, and all
16 other operations, and is not affiliated with a
17 sectarian school or religious institution;

18 “(F) does not charge tuition;

19 “(G) complies with the Age Discrimination
20 Act of 1975, title VI of the Civil Rights Act of
21 1964, title IX of the Education Amendments of
22 1972, section 504 of the Rehabilitation Act of
23 1973, and part B of the Individuals with Dis-
24 abilities Education Act;

1 “(H) is a school to which parents choose to
2 send their children, and that admits students
3 on the basis of a lottery, if more students apply
4 for admission than can be accommodated;

5 “(I) agrees to comply with the same Fed-
6 eral and State audit requirements as do other
7 elementary and secondary schools in the State,
8 unless such requirements are specifically waived
9 for the purpose of this program;

10 “(J) meets all applicable Federal, State,
11 and local health and safety requirements;

12 “(K) operates in accordance with State
13 law; and

14 “(L) has a written performance contract
15 with the authorized public chartering agency in
16 the State.

17 “(3) DEVELOPER.—The term ‘developer’ means
18 an individual or group of individuals (including a
19 public or private nonprofit organization), which may
20 include teachers, administrators and other school
21 staff, parents, or other members of the local commu-
22 nity in which a charter school project will be carried
23 out.

24 “(4) ELIGIBLE APPLICANT.—The term ‘eligible
25 applicant’ means an authorized public chartering

1 agency participating in a partnership with a devel-
 2 oper to establish a charter school in accordance with
 3 this part.

4 **“SEC. 10310. AUTHORIZATION OF APPROPRIATIONS.**

5 “For the purpose of carrying out this part, there are
 6 authorized to be appropriated \$100,000,000 for fiscal year
 7 1998 and such sums as may be necessary for each of the
 8 4 succeeding fiscal years.”.

9 **TITLE VIII—FULL FUNDING FOR**
 10 **PART B OF THE INDIVIDUALS**
 11 **WITH DISABILITIES EDU-**
 12 **CATION ACT**

13 **SEC. 801. FULL FUNDING FOR PART B OF THE INDIVIDUALS**
 14 **WITH DISABILITIES EDUCATION ACT.**

15 Section 611(j) of the Individuals with Disabilities
 16 Education Act (20 U.S.C. 1411(j)) is amended by striking
 17 “such sums as may be necessary” and inserting “not less
 18 than \$5,301,000,000 for fiscal year 1999, not less than
 19 \$6,801,000,000 for fiscal year 2000, not less than
 20 \$8,301,000,000 for fiscal year 2001, not less than
 21 \$9,801,000,000 for fiscal year 2002, not less than
 22 \$11,301,000,000 for fiscal year 2003, not less than
 23 \$13,101,000,000 for fiscal year 2004, and such sums as
 24 may be necessary for each succeeding fiscal year”.

